

**Minutes**  
**Missouri Technology Corporation**  
**Monday, April 25, 2011**

The Missouri Technology Corporation (the “MTC”) Board of Directors (the “Board”) met in regular session on Monday, April 25, 2011, beginning at 10:14 a.m. The meeting was held at the Missouri Plant Science Center, 651 Commerce Road, Mexico, Missouri.

The following members of the Board were present or absent:

Joe Bannister	Chair	Present
Jim Baker	Secretary-Treasurer	Present
Dan Devers	Member	Absent
Victoria Gonzalez	Member	Present
Anthony Harris	Member	Absent
Garry Kemp	Member	Absent
David Kerr	Member designee-DED	Present
Dan Mehan	Vice Chair	Present
Mike Nichols	Member designee-MU	Present
Donn Rubin	Member	Present
Greg Steinhoff	Member	Present (by teleconference)
Frank Stokes	Member	Present
Mike Wetle	Member	Present

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:

Jason Hall	MTC Executive Director
Bill Anderson	MTC Deputy Director
Stacey Hirst	MTC Director of Operations
Tom Litz	Thompson Coburn, MTC Legal Counsel

Guests:

Mark Bamforth	Gallus Biopharmaceuticals
Steve Kasok	Gallus Biopharmaceuticals
Joe Schlafly	Stifel, Nicolaus & Company (on behalf of Gallus Biopharmaceuticals)
Kendall Krummenacher	Stifel, Nicolaus & Company (on behalf of Gallus Biopharmaceuticals)

**WELCOME AND CALL TO ORDER:**

Chair Bannister called the meeting to order at 10:14 a.m. and established a quorum with ten (10) members present including Chair Bannister, Dr. Baker, Ms. Gonzalez, Mr. Kerr, Mr. Mehan, Dr. Nichols, Mr. Rubin, Mr. Steinhoff, Mr. Stokes, and Mr. Wetle.

**APPROVAL OF MINUTES FROM PRIOR MEETING:**

Chair Bannister moved to the first agenda item which was the approval of minutes from the April 5, 2011 Board meeting. Draft minutes were distributed to the Board prior to the meeting. The following resolution was moved by Mr. Kerr, seconded by Mr. Stokes, and unanimously approved:

**RESOLVED**, the Board hereby approves the minutes from the April 5, 2011 Board meeting, as presented.

**REVIEW THE TREASURER’S REPORT:**

Chair Bannister then moved to the next agenda item and asked Dr. Baker to present the Treasurer’s Report, which was distributed to the Board prior to the meeting. Dr. Baker presented the Treasurer’s Report and asked if any members of the Board had any questions. Mr. Stokes requested that a portfolio of investments be included with future reports and other Board members agreed this would be a good report. After a detailed discussion, the following resolution was moved by Mr. Kerr, seconded by Dr. Nichols, and unanimously approved:

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

**EXECUTIVE DIRECTOR’S REPORT:**

Chair Bannister moved to the next agenda item and asked Director Hall to provide his Executive Director’s report. Director Hall reported the new MTC IDEA (Innovation, Development and Entrepreneurial Advancement) program has received good press over the past few weeks. Director Hall stated that MTC staff has received good feedback from entrepreneurs around the state and received a tremendous number of calls from entrepreneurs interested in the programs. He further stated that the Department of Economic Development (“DED”) is currently working with the U.S. Treasury on the formal grant award documents, at which time the MTC will need to revise the general agreement with the DED; however, U.S. Treasury did re-iterate that the March 22, 2011 award letter authorizes the MTC to incur program and administrative expenses. Director Hall then distributed revised program descriptions and stated the descriptions were revised slightly from the version approved by the Board at the April 5, 2011 meeting. Director Hall also distributed a revised and restated FY2011 Operating Plan for quarters 3 and 4 to incorporate the amendments discussed during the April 5, 2011 Board meeting. The revised plan also includes revisions to the program allocations and administrative budget. Finally, Director Hall reported the budget process went very well this year for the MTC core budget, which includes appropriations for the Innovation Center, MOFAST, and the Missouri Manufacturing Extension Partnership programs, as both the House and Senate Budget Committees closed on the item. One item that will go to conference is a new \$400,000 item for the MOFAST program, which was added in the House and taken out in the Senate. The House perfected and passed a version of the MOSIRA legislation, which now waits on a decision by the Senate.

**EXECUTIVE COMMITTEE REPORT:**

Chair Bannister then asked Director Hall to provide an overview of the revised Operating Plan. Director Hall reviewed the revised and restated Operating Plan for quarters 3 and 4. He stated that due to the new programs and an increase in compliance and oversight, he is recommending that the MTC hire a new full-time temporary position and that funding for salary and fringe for this new position was included in the administrative budget in quarter 4. Chair Bannister stated that staff will work with the Executive Committee over the next few weeks to develop the FY2012 Operating Plan for approval at the June 24, 2011 Board meeting. After a detailed discussion, the following resolution was moved by Dr. Baker, seconded by Ms. Gonzalez, and unanimously approved.

**RESOLVED**, the MTC Board hereby adopts the Revised and Restated FY2011 Operating Plan Quarters 3 and 4 as presented, including the LCDI program allocations set forth therein.

**INVESTMENT COMMITTEE REPORT:**

Chair Bannister then moved to the next agenda item and asked Mr. Steinhoff to present the Investment Committee report. Mr. Steinhoff called the Board's attention to the memo from the Investment Committee included in the Board packet, which was distributed prior to the meeting, and asked Director Hall to summarize the process. Director Hall stated the MTC received 18 TechLaunch program applications and three Bioscience Industrial Expansion ("BIE") program applications. The applications were scored by MTC and DED staff and all three BIE applications and six TechLaunch applications were forwarded to the Investment Committee for review. The Investment Committee met on March 28, 2011 to review the applications and interview the applicants. Each applicant made a presentation to the Investment Committee followed by a question and answer period. The Investment Committee is recommending that the Board provide funding for three BIE applications and four TechLaunch applications, as well as one conditional recommendation for a TechLaunch application subject to receiving additional information regarding specific questions posed by the Committee. Director Hall stated that the Board would not be reviewing the applications in detail, as this was the job of the Investment Committee; however, the staff had prepared a briefing memo for each project and made available to the Board the full applications at a secure ftp site prior to the meeting.

Hearing no questions regarding the process, Chair Bannister entertained a motion to enter Closed Session. The following resolution was moved by Dr. Baker, seconded by Mr. Kerr, and approved by the following roll call vote:

**RESOLVED**, the Board hereby approves entering Closed Session at 11:22 a.m. pursuant to Section 610.021, subsections (1), (12), (14), and (15), RSMo, relating to the review and discussion of the recommendations of the Investment Committee in regards to the BIE and TechLaunch programs and the Gallus Biopharmaceutical project.

Dr. Baker	aye	Mr. Rubin	aye
Ms. Gonzalez	aye	Mr. Steinhoff	aye
Mr. Kerr	aye	Mr. Stokes	aye
Mr. Mehan	absent	Mr. Wetle	aye
Dr. Nichols	aye	Chair Bannister	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 approves exiting Closed Session at 2:44 p.m.

Dr. Baker	aye	Mr. Rubin	aye
Ms. Gonzalez	aye	Mr. Steinhoff	absent
Mr. Kerr	aye	Mr. Stokes	aye
Mr. Mehan	aye	Mr. Wetle	aye
Dr. Nichols	aye	Chair Bannister	aye

After a detailed discussion confined to the matters stated above by those present, Chair Bannister reported that Ms. Gonzalez and Mr. Rubin were recused due to their association with BioGenerator and exited the room prior to the discussions regarding the TechLaunch applications for Six Convert, LLC; Vasculox, Inc.; Confluence Life Sciences, Inc.; Traxxsson, LLC. Chair Bannister also reported that Director Hall

was recused due to his prior association with the applicant's legal counsel and exited the room prior to the discussion regarding the Gallus Biopharmaceuticals project.

Chair Bannister then entertained a motion to approve the BIE recommendations. The following resolutions were moved by Mr. Kerr, seconded by Dr. Baker, and unanimously approved:

**RESOLVED**, the Board hereby authorizes a Bioscience Industrial Expansion Program award of \$225,000 to AndroJek, Inc. for application BIE 2011-001;

**FURTHER RESOLVED**, the Board hereby delegates the MTC Executive Committee full power and authority on behalf of 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 the project; and

**FURTHER RESOLVED**, the Board hereby authorizes the Executive Director on behalf of MTC to execute and deliver all documents relating to the AndroJek, Inc. matter.

**RESOLVED**, the Board hereby authorizes a Bioscience Industrial Expansion Program award of \$500,000 to Katalyst Surgical, LLC for application BIE 2011-002;

**FURTHER RESOLVED**, the Board hereby delegates the MTC Executive Committee full power and authority on behalf of 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 the project; and

**FURTHER RESOLVED**, the Board hereby authorizes the Executive Director on behalf of MTC to execute and deliver all documents relating to Katalyst Surgical, LLC matter.

**RESOLVED**, the Board hereby authorizes a Bioscience Industrial Expansion Program award of \$389,000 to InnovaPrep, LLC for application BIE 2011-003;

**FURTHER RESOLVED**, the Board hereby delegates the MTC Executive Committee full power and authority on behalf of 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 the project; and

**FURTHER RESOLVED**, the Board hereby authorizes the Executive Director on behalf of MTC to execute and deliver all documents relating to the InnovaPrep, LLC matter.

Chair Bannister then entertained a motion to approve the TechLaunch recommendation. The following resolutions were moved by Mr. Kerr, seconded by Mr. Mehan, and approved by all nonrecused members

**RESOLVED**, the Board hereby authorizes a TechLaunch Program award of \$75,000 to Six Convert, LLC for application TL 2011-002;

**FURTHER RESOLVED**, the Board hereby delegates the MTC Executive Committee full power and authority on behalf of 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 the project; and

**FURTHER RESOLVED**, the Board hereby authorizes the Executive Director on behalf of MTC to execute and deliver all documents relating to the Six Convert, LLC matter.

**RESOLVED**, the Board hereby authorizes a TechLaunch Program award of \$69,000 to Immunophotonics, Inc. for application TL 2011-004;

**FURTHER RESOLVED**, the Board hereby delegates the MTC Executive Committee full power and authority on behalf of 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 the project; and

**FURTHER RESOLVED**, the Board hereby authorizes the Executive Director on behalf of MTC to execute and deliver all documents relating to the Immunophotonics, Inc. matter.

**RESOLVED**, the Board hereby authorizes a TechLaunch Program award of \$73,900 to Vasculox, Inc. for application TL 2011-005;

**FURTHER RESOLVED**, the Board hereby delegates the MTC Executive Committee full power and authority on behalf of 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 the project; and

**FURTHER RESOLVED**, the Board hereby authorizes the Executive Director on behalf of MTC to execute and deliver all documents relating to the Vasculox, Inc. matter.

**RESOLVED**, the Board hereby authorizes a TechLaunch Program award \$75,000 to Confluence Life Sciences, Inc. for application TL 2011-010;

**FURTHER RESOLVED**, the Board hereby delegates the MTC Executive Committee full power and authority on behalf of 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 the project; and

**FURTHER RESOLVED**, the Board hereby authorizes the Executive Director on behalf of MTC to execute and deliver all documents relating to the Confluence Life Sciences, Inc. matter.

**RESOLVED**, the Board hereby authorizes a TechLaunch Program award of \$75,000 to Traxxsson, LLC for application TL 2011-013;

**FURTHER RESOLVED**, the Board hereby delegates the MTC Executive Committee full power and authority on behalf of 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 the project; and

**FURTHER RESOLVED**, the Board hereby authorizes the Executive Director on behalf of MTC to execute and deliver all documents relating to the Traxxsson, LLC matter.

The following resolutions were moved by Mr. Mehan, seconded by Chair Bannister, and unanimously approved:

**RESOLVED**, the Board hereby authorizes an award of \$2 million to Gallus BioPharmaceuticals, LLC if replacement funds are not available;

**FURTHER RESOLVED**, the Board hereby delegates to the MTC Executive Committee full power and authority on behalf of 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 the such award; and

**FURTHER RESOLVED**, the Board hereby authorizes Chair Bannister on behalf of MTC to execute and deliver all documents relating to the Gallus Biopharmaceuticals, LLC matter.

**NEW BUSINESS:**

Director Hall asked members to please contact the MTC staff if they have any thoughts regarding improvements to the implementation of the new processes.

Ms. Hirst reminded members to file their Personal Financial Disclosure Statements as they are due on Monday, May 2, 2011.

Mr. Bannister reminded the Board of the next MTC Board meeting to be held at the Jordan Valley Innovation Center in Springfield.

**ADJOURNMENT:**

Having no further business on the agenda, the following resolution was moved by Mr. Mehan, seconded by Ms. Gonzalez, and unanimously approved:

**RESOLVED**, the Board hereby adjourns.

Meeting adjourned at 2:55 p.m.