

Minutes
Missouri Technology Corporation
Thursday, April 28, 2017

The regular meeting of the Missouri Technology Corporation (the “MTC”) Board of Directors (the “Board”) was held on Friday, April 28, 2017, beginning at 1:00 p.m. The meeting was held at the MU Life Sciences Incubator 1601 S Providence Rd., Columbia, Missouri.

Members present or absent:

Jason Hall	Chair	Present
Dr. Bill Weber	Member	Absent
Erv Switzer	Member	Present
Mike Wetle	Member	Absent
Garry Kemp	Member	Present
Mike Downing	Member	Present (left at 3:00 p.m.)
Mike O’Connell	Member	Present via phone
Dr. Jim Baker	Member	Present via phone
Donn Rubin	Member	Present via phone
Jim Heeter	Member	Absent
Dr. Dedric Carter	Member	Absent
Rep. TJ Berry	Member	Present
Senator Ryan Silvey	Member	Absent
Dr. Robert Schwartz	Member designee-MU	Absent

Staff and Outside Legal Counsel present:

Bill Anderson	MTC Executive Director
Dan Kaemmerer	MTC staff
Tori Benson	MTC staff
Amy Steinman	MTC staff
Dawn Overbey	DED staff
Tom Litz	Thompson Coburn LLP, MTC Legal Counsel
Bill Vega	MTC Intern

WELCOME AND CALL TO ORDER:

Chair Hall called the meeting to order at 1:08 p.m. Quorum was established with eight members present. Chair Hall then welcomed everyone to the Missouri Innovation Center which is one of the ten state-funded innovation centers. Director Anderson gave an introduction of Bill Vega who is interning with the MTC this semester. Natalie Lung, a student at the MU School of Journalism, introduced herself and explained that she was doing research for a potential article about the MTC.

APPROVAL OF MINUTES:

Chair Hall asked if there were any comments on the draft minutes of the January 26, 2017, Board meeting, which had been distributed to the Board prior to the meeting. There were no comments. On motion by Mr. Downing, seconded by Mr. Switzer, the following resolution was unanimously approved by those members present:

RESOLVED, the Board hereby approves the minutes of the regular Board meeting held on January 26, 2017, as submitted;

EXECUTIVE DIRECTOR REPORT:

Chair Hall 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 \$1.8 million

disbursed alongside more than \$27.4 million in leveraged capital. Overall, 145 MTC investments have closed, totaling \$35.4 million raising leveraged capital of over \$413 million. Director Anderson stated that the MTC staff will continue to work toward fulfillment of Board-approved applications for financial assistance. Director Anderson then reviewed third quarter activities and closed his report by reviewing activities the MTC staff planned to undertake in the fourth quarter. Director Anderson then presented a preview of the Show-Me Startup webpage, which was expected to go live shortly following the meeting.

DEPARTMENT OF ECONOMIC DEVELOPMENT REPORT:

DED Director Downing informed the Board that he recently spoke at a meeting of the Governor's Committee on Simple, Fair and Low Taxes. He also reported that Missouri's unemployment rate is at 3.9%, which is the lowest since 2000. At Director Downing's request, Representative TJ Berry gave an update on the 2018 budget process.

EXECUTIVE COMMITTEE REPORT:

Chair Hall reported that the Executive Committee met three times during the third quarter, on February 24, March 9 and April 18, 2017. The Executive Committee approved transaction documents for six IDEA Fund investments and grant agreements for ten MOBEC grants.

AUDIT AND FINANCE COMMITTEE REPORT:

Chair Hall asked Mr. Kemp to present the Audit and Finance Committee report. Mr. Kemp presented the Third Quarter FY2017 Treasurer's Report, which had been distributed to the Board prior to the meeting.

TREASURER'S REPORT:

On motion by Chair Hall, seconded by Director Downing, the following resolution was unanimously approved by those members present:

RESOLVED, the Board hereby approves the 3rd Quarter FY2017 Treasurer's Report dated April 28, 2017, as submitted.

DRAFT RFP FOR AUDITING SERVICES:

Director Anderson presented the Board with a draft RFP for Audit Services. After discussion and upon motion by Chair Hall, seconded by Director Downing, the following resolutions were unanimously approved by those member present:

RESOLVED, the Board hereby approves the draft request for proposals to solicit audit services; and

FURTHER RESOLVED, the Board hereby delegates to the MTC Audit and Finance 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 request for proposals.

INVESTMENT COMMITTEE REPORT:

Chair Hall called on Director Anderson, in the absence of Mr. Wetle, to present the Investment Committee report. Director Anderson provided an overview of the Investment Committee's activities for the third quarter. He called the Board's attention to the Investment Committee report which was distributed to the Board prior to the meeting. Director Anderson reported the MTC received two IDEA Fund applications requesting more than \$1.25 million total; one Venture Capital Co-Investment (VCCI) application requesting \$1 million and one Seed Capital Co-Investment (SEED) application requesting \$250,000. The MTC staff had evaluated the applications in accordance with its customary practice applying the MTC's Investment Guidelines. The IDEA Fund applications advanced to the Investment Committee for further consideration. The applicants gave presentations and the Investment Committee conducted in-person applicant interviews on March 23, 2017. The Investment Committee recommended

the two applications for a total funding of \$475,000, subject to further due diligence and the preparation and execution of definitive transaction documents .

CLOSED SESSION:

On motion by Chair Hall, seconded by Mr. Kemp, the following resolution was approved by the following roll call vote:

RESOLVED, the Board hereby approves entering Closed Session at 2:05 p.m. pursuant to Sections 610.021 (1), (12), (14) and (15) RSMo.

Jason Hall	aye	Mike Downing	aye	Dr. Jim Baker	aye
Erv Switzer	aye	Rep TJ Berry	aye	Donn Rubin	aye
Garry Kemp	aye	Mike O'Connell	aye		

Guest Natalie Lung was excused from the room.

On motion by Chair Hall, seconded by Representative Berry, the following resolution was approved by the following roll call vote:

Jason Hall	aye	Mike Downing	aye	Dr. Jim Baker	aye
Erv Switzer	aye	Rep TJ Berry	aye	Donn Rubin	aye
Garry Kemp	aye	Mike O'Connell	aye		

RESOLVED, the Board hereby approves exiting Closed Session at 2:25 p.m.

Guest Natalie Lung was invited back into the room.

Chair Hall 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.

INVESTMENT COMMITTEE RECOMMENDATIONS:

After discussion and on motion by Chair Hall, seconded by Rep. Berry, the following resolutions were unanimously approved by those members present:

SEED Capital Co-Investment:

RESOLVED, the Board hereby approves the following Seed Capital Co-Investment Program awards, subject to satisfying the ordinary program conditions: SEED-2017-00-001 (Sickweather, Inc.) in the amount of \$175,000; 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 award; and

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

On motion by Chair Hall, seconded by Director Downing, the following resolutions were unanimously approved by those members present:

Venture Capital Co-Investment:

RESOLVED, the Board hereby approves the following Venture Capital Co-Investment Program award, subject to satisfying the ordinary program conditions: VCCI-2017-00-001 (Sfara, Inc.) in the amount of \$300,000; 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 award; and

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

MISSOURI INNOVATION CENTER: Chair Hall welcomed Bill Turpin of Missouri Innovation Center and thanked him for hosting the meeting today. Mr. Turpin gave an update on the Innovation Center and the Mid-Missouri Technology Accelerator Fund. Mr. Turpin offered to provide a tour of the Center to interested Board members upon adjournment.

MU ICORPS INITIATIVE: Chair Hall welcomed Steve Wyatt and Jim Gann with the University of Missouri Office of Economic Development. They provided an update on their iCorps initiative.

NEW BUSINESS:

Director Anderson lead a brief discussion of the priorities for FY2018, which will depend on the final appropriation numbers that will be approved by the legislature and Governor.

Director Anderson advised the Board that the next Board meeting has tentatively been set for June 29, 2017, in Kansas City.

ADJOURNMENT:

Having no further business on the agenda and on motion by Representative Berry, seconded by Mr. Kemp, the following motion was unanimously approved:

RESOLVED, the Board hereby adjourns the meeting at 3:10 p.m.

MEETING ADJOURNED