

Minutes
Missouri Technology Corporation
Thursday, January 25, 2018

The regular meeting of the Missouri Technology Corporation (the “MTC”) Board of Directors (the “Board”) was held on Thursday, January 25, 2018, beginning at 1:00 p.m. The meeting was held at the Missouri Department of Economic Development, Truman Building, Room 500, 301 West High St, Jefferson City, MO 65102

Members present or absent:

Jason Hall	Chair	Present
TJ Berry	Member	Present
Dr. Dedric Carter	Member	Present
Rob Dixon	Member	Present
Garry Kemp	Member	Present
Lisa Nichols	Member	Present
Erv Switzer	Member	Present
William Weber	Member	Present

Staff and Outside Legal Counsel present:

Bill Anderson	MTC Executive Director
Dan Kaemmerer	MTC staff
Amy Steinman	MTC staff
Bill Vega	MTC staff
Greg Patterson	Thompson Coburn LLP, MTC Legal Counsel

WELCOME AND CALL TO ORDER:

Chair Hall called the meeting to order at 1:09 p.m. Quorum was established with eight members present.

APPROVAL OF MINUTES:

Chair Hall asked if there were any comments on the draft minutes of the October 26, 2017, Board meeting, and the amended minutes from August 28, 2015, Board meeting, which had been distributed to the Board prior to the meeting. There were no comments. On motion by Dr. Carter, seconded by Dr. Weber, the following resolution was unanimously approved by those members present:

RESOLVED, the Board hereby approves the minutes of the regular Board meeting held on October 26, 2017, and amended minutes from August 28, 2015 as submitted.

EXECUTIVE DIRECTOR REPORT:

Chair Hall asked Director Anderson to present the MTC Executive Director report. Director Anderson reported the following activities for the second quarter:

- ❖ Missouri IDEA (Innovation, Development, and Entrepreneurship Advancement) Fund:
 - Eleven IDEA Fund transactions closed since the October board meeting totaling \$2.3 million disbursed alongside more than \$7.3 million in leveraged private capital
 - Overall, 175 MTC investments have closed, totaling \$41.5 million in direct investment by the MTC and over \$485 million in leveraged capital
 - PayIt, LLC named to GovTech 100 for 2nd year in a row
 - Benson Hill Biosystems named to Top 100 AI List and recognized as one of 30 Startups that could change the world by CB Insights
- ❖ Soybean Research and Commercialization Grant:
 - Missouri Soybean Association budget amendment

Director Anderson then closed his report by reviewing activities that the MTC staff planned to undertake in the third quarter.

ECONOMIC DEVELOPMENT REPORT:

Director Dixon advised that his main areas of focus have been: items contained in the report issued by the Governor's Innovation Task Force; existing business in the State and a strategic approach to best support existing communities; workforce development and talent; and general organizational management (Occupational Health Index). Finally, he updated the Board regarding Amazon's decision to not select Missouri as a finalist for its HQ2 site selection. The Board discussed workforce issues related to innovation-led economic development.

EXECUTIVE COMMITTEE REPORT:

Chair Hall reported the following for the Executive Committee:

- ❖ met twice during the second quarter on November 3rd and December 20th, 2017;
- ❖ approved transaction documents for seven pending IDEA Fund investments totaling \$1.7 million;
- ❖ approved the exercise of the MTC's preemptive investment rights to avoid significant dilution with respect to two portfolio companies pursuant to the Executive Committee's board-delegated authority (Tioma Therapeutics in the amount of \$145,462.78 and Edison Agrosiences in the amount of \$6,658.00);
- ❖ approved the grant agreements for the 12 MOBEC grants approved at the October 2017 board meeting;
- ❖ approved a request from the Jordan Valley Innovation Center to utilize innovation center funds to purchase equipment necessary for the center to maintain its state-of-the-art facility and conduct cutting-edge research; and
- ❖ approved a request from the Missouri Soybean Association to amend the project budget for its grant for commercialization and soybean production research.

AUDIT AND FINANCE COMMITTEE REPORT:

Chair Hall asked Director Anderson to present the Audit and Finance Committee report. Director Anderson presented the 2nd Quarter FY2018 Treasurer's Report, which had been distributed to the Board prior to the meeting.

TREASURER'S REPORT:

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

RESOLVED, the Board hereby approves the 2nd Quarter FY2018 Treasurer's Report dated January 25, 2018, as submitted.

Next, Director Anderson gave an update on the Audit plan and led a discussion on implementing a Valuation Policy. The current MTC investment valuation practices were presented. The Board directed the MTC staff to draft an investment valuation policy for consideration.

INVESTMENT COMMITTEE REPORT:

Chair Hall called on Director Anderson to present the Investment Committee report. Director Anderson provided an overview of the Investment Committee's activities for the second 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 twenty-five IDEA Fund applications requesting more than \$5.82 million total; twelve TechLaunch (TL) applications requesting over \$1 million and thirteen Seed Capital Co-Investment (SEED) applications requesting over \$4.7 million. The MTC staff evaluated the applications in accordance with the MTC's 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 January 12, 2018. The Investment Committee recommended thirteen applications for a total funding of \$2,260,000, subject to further due diligence and the preparation and execution of definitive transaction documents.

CLOSED SESSION:

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

RESOLVED, the Board hereby approves entering Closed Session at 2:00 p.m. pursuant to Sections 610.021 (1), (12), (14) and (15) RSMo.

Jason Hall	aye	Rob Dixon	aye
Garry Kemp	aye	Erv Switzer	aye
Dr. William Weber	aye	Lisa Nichols	aye
Dr. Dedric Carter	aye	TJ Berry	aye

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

RESOLVED, the Board hereby approves exiting Closed Session at 2:18 p.m.

Jason Hall	aye	Rob Dixon	aye
Garry Kemp	aye	Erv Switzer	aye
Dr. William Weber	aye	Lisa Nichols	aye
Dr. Dedric Carter	aye	TJ Berry	aye

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 Ms. Nichols, seconded by Mr. Switzer, the following resolutions were unanimously approved by those members present with Dr. Carter abstaining with respect to actions taken on Cardiaform and Geneoscopy:

TechLaunch:

RESOLVED, the Board hereby approves the following TechLaunch Program awards, subject to satisfying the ordinary program conditions: TL-2017-23-002 (Cardiaform) in the amount of \$100,000; TL-2017-23-004 (Geneoscopy) in the amount of \$100,000; TL-2017-23-006 (KeyBot) in the amount of \$100,000; TL-2017-23-010 (Plastomics) in the amount of \$100,000; and TL-2017-23-011 (SensrTrx) in the amount of \$100,000; 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 Executive Director on behalf of the MTC to execute and deliver all documents relating to such awards.

After discussion and on motion by Mr. Switzer, seconded by Chair Hall, 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-2017-23-001 (AdSwapper) in the amount of \$200,000; SEED-2017-23-003 (Cambrian) in the amount of \$250,000; SEED-2017-23-005 (DeepWater Software) in the amount of \$185,000; SEED-2017-23-006 (iShare Medical) in the amount of \$150,000; SEED-2017-23-008 (RNAgri) in the amount of \$200,000, subject to finalizing a strategic partnership satisfactory to the MTC; SEED-2017-23-010 (ThermAvant) in the amount of \$400,000; SEED-2017-23-011 (Transportant) in the amount of \$125,000; and SEED-2017-23-013 (Digital Legacy) in the amount of \$250,000; 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 Executive Director on behalf of the MTC to execute and deliver all documents relating to such awards.

GOVERNOR’S INNOVATION TASK FORCE REPORT:

Director Anderson reviewed several proposals from the Governor’s Innovation Task Force. These initiatives focused on efforts to connect various ecosystems and stakeholders across the state. These stakeholders include mentors, entrepreneur support organizations, incubators and investors. Efforts to convene and engage the chief research officers and chief translational officers at Missouri’s research institutions to encourage increased collaboration and the sharing of best practices regarding translation of ideas to the market. After discussion, the Board directed the MTC staff to identify specific actions to improve connectivity.

NEW BUSINESS:

- ❖ 2018 Meeting Schedule:
 - April 30, 2018 – Columbia
 - June 28, 2018 – Kansas City
 - October 25, 2018 – St. Louis

ADJOURNMENT:

Having no further business on the agenda, and on motion by Chair Hall, seconded by Mr. Berry, the meeting adjourned at 2:50 p.m.

MEETING ADJOURNED