

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

The regular meeting of the Missouri Technology Corporation (the “MTC”) Board of Directors (the “Board”) was held on Friday, October 30, 2015 beginning at 10:30 a.m. The meeting was held at Think Big Coworking, 1712 Main Street, Kansas City, MO 64108.

The following members of the Board were present or absent:

Joe Bannister	Chair	Present
Dr. Hank Foley	Member designee-MU	Present
Rep. TJ Berry	Member	Present
Sen. Ryan Silvey	Member	Present
Garry Kemp	Member	Present
Elizabeth Canuteson	Member	Present
Mike Wetle	Member	Present via conference call
Donn Rubin	Member	Present via conference call
Dr. Jim Baker	Secretary-Treasurer	Present via conference call
David Kerr	Member	Present via conference call (10:50am)
Mike Downing	Member	Absent
Mike O’Connell	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 Staff
Tori Benson	MTC staff
Laura Weiler	MTC staff
Dawn Overbey	DED staff
Greg Patterson	Thompson Coburn LLP, MTC Legal Counsel

Guests present for a portion of the meeting:

Drew Solomon	KC EDC
Gary Sage	KC EDC
Bob Langenkamp	KC EDC
Jim Brasunas	Former ITEN Director
Wendy Guillies	Kauffman Foundation
Bill Dietrich	KC Downtown Council
Scott Wagner	Mayor Pro Tem

**WELCOME AND CALL TO ORDER:**

Chair Bannister called the meeting to order at 10:15 a.m. and established quorum with ten members present, including Chair Bannister, Dr. Foley, Rep. Berry, Senator Silvey, Mr. Kemp, Ms. Canuteson, Mr. Kerr, Mr. Wetle, Dr. Baker, and Mr. Rubin.

**APPROVAL OF MINUTES:**

Chair Bannister asked if there were any comments on the draft minutes of the August 28, 2015 Board

meeting, which had been distributed to the Board prior to the meeting. There were no comments. On motion by Rep. Berry, seconded by Dr. Foley, the following resolution was unanimously approved by those members present:

**RESOLVED**, the Board hereby approves the minutes of the regular Board meeting held on August 28, 2015, as submitted.

**EXECUTIVE DIRECTOR REPORT:**

Chair Bannister asked Director Anderson to present the MTC Executive Director report. Director Anderson reported that 15 IDEA Fund transactions closed since the preceding Board meeting with \$4.1 million disbursed alongside more than \$9 million in leveraged capital from other sources. Overall, 99 IDEA Fund financings have closed, totaling \$25 million of investments alongside leveraged capital from other sources of more than \$200 million. Director Anderson stated that MTC staff will continue to work toward fulfillment of Board-approved applications for financial assistance. He noted that significant investments were made in Vasculox and MediBeacon. He advised that MTC ranked as the #1 VC Investor in the Midwest by Pitchbook and Missouri had the highest growth of new business creation from 2012-2013. He then reviewed first quarter activities and closed his report by reviewing activities the MTC staff planned to undertake in the second quarter.

**KAUFFMAN FOUNDATION UPDATE:**

Chair Bannister welcomed Wendy Guillies with the Kauffman Foundation. She stated the mission of the Foundation is to help individuals attain economic independence by advancing educational achievement and entrepreneurial success, consistent with the aspirations of founder, Ewing Marion Kauffman. She advised their newly adopted strategic plan is being implemented now to support program goals: bringing new school models to KC; focusing on teachers and leaders; entrepreneurship; and working with the civic community.

**WELCOME/LAUNCH KC AND TECH WEEK UPDATES:**

Drew Solomon with KC EDC welcomed the Board to Kansas City and reminded the Board that MTC has invested more than \$2 million in programs in Kansas City. Bill Dietrich and Mayor Pro Tem Wagner joined in welcoming the Board and thanked them and MTC for their continued support. Mr. Solomon and Mr. Dietrich gave an update on LaunchKC and advised of their future goals of wanting to attract talent to Kansas City; and raise the profile of Kansas City as an innovation hub. Mr. Solomon also gave an update from TechWeek, which was held in Kansas City in September.

**EXECUTIVE COMMITTEE REPORT:**

Chair Bannister reported that that Executive Committee met three times during the first quarter. Chair Bannister then opened for discussion the topic of the 2015 Annual Report. After discussion and on motion by Ms. Canuteson, seconded by Mr. Kemp, the following resolution was unanimously approved by those members present:

**RESOLVED**, the Board hereby approves the draft 2015 MTC Annual Report in substantially the form presented; and

**FURTHER RESOLVED**, the Board hereby authorizes the Acting Executive Director to revise the presented draft in such manner as he deems advisable in the best interest of the MTC and to submit the finalized report for submission to the General Assembly.

**BOARD GOVERNANCE MATTERS:**

Chair Bannister stated that there are currently two Board vacancies and several members whose terms have expired and are continuing to serve. He encouraged any member wishing to stay on the Board to reapply to the Governor's office.

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

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

**RESOLVED**, the Board hereby ratifies the appointment of Garry Kemp as Secretary/Treasurer of the MTC Board.

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

**RESOLVED**, the Board hereby ratifies the appointment of Garry Kemp as Signatory to the MTC's bank accounts.

#### **AUDIT AND FINANCE COMMITTEE REPORT:**

Chair Bannister asked Director Anderson to present the Audit and Finance Committee report. Director Anderson presented the FY2016 First Quarter Treasurer's Report, which was distributed to the Board prior to the meeting. After a detailed discussion, and on motion by Dr. Foley, seconded by Rep. Berry, the following resolution was unanimously approved by those members present:

**RESOLVED**, the Board hereby approves the 1st Quarter FY2016 Treasurer's Report dated October 30, 2015, as amended.

Director Anderson then directed the Board's attention to the MTC policies that were distributed prior to the meeting. Director Anderson advised there were no changes from last year and requested that each member review the policies and sign an acknowledgement form.

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

Chair Bannister called on Mr. Kerr to present the Investment Committee report, which 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 45 IDEA Fund Round 16 applications requesting nearly \$18.5 million total; five Venture Capital Co-Investment (VCCI) applications requesting \$7.5 million, 12 TechLaunch applications requesting \$980,000, 26 Seed Capital Co-Investment (SEED) applications requesting more than \$8.8 million, and two High Tech Industrial Expansion (HTIE) applications requesting \$1.1 million. The MTC staff evaluated the applications in accordance with customary practice applying MTC's Investment Guidelines. Sixteen applications advanced to the Investment Committee for further consideration. Following a day of presentations and in-person applicant interviews on October 21, 2015, the Investment Committee recommended 14 applications for funding, subject to further due diligence and the preparation and execution of definitive transaction documents, including seven SEED applications, one VCCI application, one HTIE application, and five TechLaunch applications, for a total of \$2.2 million in recommended funding.

#### **CLOSED SESSION:**

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

**RESOLVED**, the Board hereby approves entering Closed Session at 11:59 a.m. pursuant to Sections 610.021 (1), (12), (14) and (15) RSMo.

Mr. Kemp	aye	Chair Bannister	aye
Dr. Foley	aye	Ms. Canuteson	aye
Rep. Berry	aye	Mr. Wetle	aye
Sen. Silvey	aye	Mr. Rubin	aye
Dr. Baker	aye		

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

Mr. Kemp	aye	Chair Bannister	aye
Dr. Foley	aye	Ms. Canuteson	aye
Rep. Berry	aye	Mr. Wetle	aye
Sen. Silvey	aye	Mr. Rubin	aye
Dr. Baker	aye		

**RESOLVED**, the Board hereby approves exiting Closed Session at 12:20 p.m.

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.

**MISSOURI HUD DISASTER GRANT LEVERAGE REQUEST:**

Director Anderson advised that this project was originally presented to the Investment Committee at their October 21, 2015 meeting. DED Division of Business and Community Development Director, Sallie Hemenway, reached out to MTC to request a \$100,000 contribution toward DED’s competition for disaster recovery funding, sponsored by HUD. The HUD application will contain funding to support “centers of innovation and opportunity” where location, types of services, delivery of service, is all designed by the community. The funds would be dedicated to the operational costs of one of the centers and would be counted as required match for scoring under the grant.

On motion by Ms. Canuteson, seconded by Dr. Foley, the following resolution was approved by those non-recused members present (Chair Bannister disclosed that his employer, the St. Louis Regional Economic Development Partnership was a potential partner with DED on the HUD grant and recused himself from the vote):

**RESOLVED**, the Board hereby approves an award of financial assistance to the Missouri HUD Disaster Grant Request by the Missouri Department of Economic Development, subject to satisfaction of conditions as noted;

**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 award.

**IDEA FUND MODIFICATION POLICY:**

Director Anderson advised that the current policy states that only investment executed after board approval qualifies as match. Proposed policy states investment executed up to 90 days prior to board approval qualifies as match.

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

**RESOLVED**, the Board hereby approves modification of the MTC IDEA Fund matching funds policy as presented.

**INVESTMENT COMMITTEE RECOMMENDATIONS:**

On motion by Dr. Foley, seconded by Mr. Kemp, the following resolutions were unanimously approved by those non-recused members present (Mr. Kemp for TL-2015-16-008, and Mr. Rubin for TL-2015-16-001, TL-2015-16-003, VCCI-2015-16-001 and HTIE-2015-16-002):

**RESOLVED**, the Board hereby approves the following TechLaunch Program awards, subject to satisfying the ordinary program conditions: TL-2015-16-001 (Accuronix Therapeutics, Inc.) in the amount of \$75,000; TL-2015-16-003 (Edison Agrosiences, Inc.) in the amount of \$75,000; TL-2015-16-006 (LocalRaces.com) in the amount of \$100,000; TL-2015-16-008 (PatientsVoices, LLC) in the amount of \$75,000; and TL-2015-16-010 (TapTeach, LLC) in the amount of \$50,000; 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.

**RESOLVED**, the Board hereby approves the following Seed Capital Co-Investment Program awards, subject to satisfying the ordinary program conditions: SEED-2015-16-006 (Aerial Agriculture, Inc.) in the amount of \$200,000; SEED-2015-16-009 (CTY, LLC) in the amount of \$100,000; SEED-2015-16-011 (FocalCast) in the amount of \$100,000; SEED-2015-16-013 (Greetabl) in the amount of \$150,000; SEED-2015-16-022 (PFITR) in the amount of \$150,000; SEED-2015-16-023 (PopBookings) in the amount of \$75,000; and SEED-2015-16-026 (TallyFy) 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.

**RESOLVED**, the Board hereby approves the following Missouri Venture Capital Co-Investment Program awards, subject to satisfying the ordinary program conditions: VCCI-2015-16-001 (Adarza Biosystems) in the amount of \$500,000; 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 Acting Executive Director on behalf of the MTC to execute and deliver all documents relating to such award.

**RESOLVED**, the Board hereby approves the following High-Tech Industrial Expansion Program awards, subject to satisfying the ordinary program conditions: HTIE-2015-16-002 (Forrest Innovations) in the amount of \$350,000; 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 Acting Executive Director on behalf of the MTC to execute and deliver all documents relating to such award.

**ADJOURNMENT:**

Having no further business on the agenda, Chair Bannister entertained a motion to adjourn the meeting. On motion by Mr. Wetle, seconded by Dr. Foley, the following motion was unanimously approved:

**RESOLVED**, the Board hereby adjourns the meeting at 12:41 p.m.

**MEETING ADJOURNED**