

**FINAL AS APPROVED
BY BOARD JAN. 28, 2014**

**MINUTES
KANSAS BIOSCIENCE AUTHORITY
Board of Directors Meeting**

**Tuesday, October 29, 2013
8:00 a.m. - 5:00 p.m.
Offices of the Kansas Bioscience Authority
Olathe, KS**

Call to Order: A quorum being present, a meeting of the Board of Directors of the Kansas Bioscience Authority was called to order at 8:02 a.m. on October 29, 2013 by Chairman Dale Rodman. Mr. Lee Borck, Mr. Ken Buchele, Mr. Earl McVicker, Mr. David Murfin, Mr. S. J. Schaub, Mr. Robert Smith, Mr. Kenny Wilk, Mr. Jerry Boettcher and Chancellor Bernadette Gray Little were in attendance. Mr. Kent Glasscock joined while the meeting was in progress. KBA staff in attendance included Mr. Duane Cantrell, Mr. Kevin Lockett, Mr. Tony Simpson, Dr. Tom Krol, Mr. Keith Harrington, Dr. Don Colbert, and Ms. Marsh LoScalzo. Katie Logan of Lathrop & Gage LLP, general counsel to the KBA also attended.

Mr. Cantrell introduced Mr. David Murfin, the newest board member, Mr. Kevin Lockett, new CFO, and Katie Logan of Lathrop & Gage LLP.

Review and Approval of Minutes: Chairman Rodman introduced the agenda item of approval of minutes of the July 30, 2013 Board of Director's and Annual Meetings.

Motion: Upon motion by the Mr. Borck and seconded by Mr. Schaub, the minutes of the July 30, 2013 Board of Director's Meeting were unanimously approved.

Motion: Upon motion by the Mr. McVicker and seconded by Mr. Buchele, the minutes of the July 30, 2013 Annual Meeting were unanimously approved.

Executive Session:

Motion: Chairman Rodman moved that the Board of Directors the Kansas Bioscience Authority recess into executive session pursuant to K.S.A. 74-99b07 to discuss financial and operational information and related material of the Authority as it relates to the marketing and operational strategies of the Authority which, in the opinion of the Board, would be harmful to the competitive position of the Authority if disclosed. The executive session will commence at 8:08 a.m. and continue for 3 hours. The Board will reconvene in open session at 11:08 a.m. in this conference room. Included in the executive session will be the members of Board, Duane Cantrell, Kevin Lockett, Katie Logan and whomsoever else the Chair invites. The motion was seconded by Mr. Borck and unanimously approved.

Return to Open Session: The Board reconvened in open session at 11:10 a.m. at which time a motion was made by Mr. Smith to extend the executive session until 12:00 p.m. The motion was seconded by Mr. Buchele and unanimously approved.

Return to Open Session: The Board reconvened in open session at 12:00 p.m. at which time a motion was made by Mr. Schaub to extend the executive session until 1:00 p.m. The motion was seconded by Mr. Buchele and unanimously approved.

Return to Open Session: The Board reconvened in open session at 1:00 p.m. at which time a motion was made by Mr. Borck to extend the executive session until 1:35 p.m. The motion was seconded by Mr. Schaub and unanimously approved.

Return to Open Session: Following Executive Session, the Board of Directors reconvened in open session at 1:35 p.m.

Audit Committee Report: Chairman Rodman introduced the agenda item of the Audit Committee reported and reminded the Board that the relevant written materials had been provided to them.

Motion: Mr. Buchele moved that the Board of Directors accept the recommendation of the Audit Committee and accept the FY2013 financial audit report prepared by Allen Gibbs & Houlik. The motion was seconded by Mr. McVicker and unanimously approved.

Investment Committee Report: Chairman Rodman introduced the agenda item of the Investment Committee reported and reminded the Board that the relevant written materials had been provided to them.

Motion: Mr. Smith moved that the Board of Directors accept the recommendation of the Investment Committee to direct KBA staff to continue discussions with a potential investment partner relating to a letter of intent, term sheet and final agreement to be approved by the Board of Directors. The motion was seconded by Mr. Borck and unanimously approved.

Financial Report: Chairman Rodman introduced the agenda item of the financial report and Mr. Lockett presented same. Highlights included:

- Review of the balance sheet.
- Review of cash in/out.
- Review of commitments and payments by commitment.
- Review of year-to-date revenues/expenses.
- Review of funds authorized and committed.
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Executive Session:

Motion: Chairman Rodman moved that the Board of Directors the Kansas Bioscience Authority recess into executive session pursuant to K.S.A. 74-99b07 to discuss financial and operational information and related material of the Authority as it relates to the marketing and operational strategies of the Authority which, in the opinion of the Board, would be harmful to the competitive position of the Authority if disclosed. The executive session will commence at 1:45 p.m. The Board will reconvene in open session at 2:10 p.m. in this conference room. Included in the executive session will be the members of Board. The motion was seconded by Mr. Schaub and unanimously approved.

Return to Open Session: Following Executive Session, the Board of Directors reconvened in open session at 2:10 p.m.

Other Business: There was no other business brought before the meeting.

Adjournment: Upon motion by Mr. Schaub, being seconded by Mr. Buchele and unanimously approved, the meeting was adjourned at 2:10 p.m.