

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
INDIANA ECONOMIC DEVELOPMENT CORPORATION
JUNE 30, 2005

The Board of Directors ("Board") of the Indiana Economic Development Corporation (the "Corporation") met on June 30, 2005 at the offices of Biomet, Inc., Warsaw, Indiana. Present at the meeting were directors Mitchell E. Daniels, Jr., Bob Koch, Cathy Langham, James Marcuccilli, Bill Mays, John Mutz, Tim Solso, Kip Tom and Dane Miller. Absent directors due to conflicts were Bruce White, John Hillenbrand and Sarah R. Byrn. Harry L. Gonso, Chief of Staff to Governor Daniels, was also present. Representing the Corporation were Patricia R. Miller, Michael S. Maurer, Nathan J. Feltman, Chad J. Sweeney, Ryan Asberry, Barkley Garrett and Tim Sanders. Also present was Joseph E. DeGroff in his role as outside counsel to the Corporation.

Following brief opening remarks, Governor Daniels, as chairman of the Board, called the meeting to order.

Governor Daniels recognized that a sufficient number of the members of the Board were present to constitute a quorum. Governor Daniels also recognized that the meeting of the Board was being held in full compliance with the open door and open records laws of the State of Indiana and noted that all postings and other related requirements were observed.

Governor Daniels then reviewed and presented for approval the minutes and resolutions from the previous Board meeting. Mr. Koch noted that he thought it appropriate to recognize where the meeting was held in the minutes. Governor Daniels agreed and asked the staff to reflect in the minutes that the May 9, 2005 meeting of the board of directors was held in Evansville, Indiana. Upon motion duly made and seconded, the minutes and resolutions from the prior meeting, as revised pursuant to Mr. Koch's suggestion, were unanimously adopted.

Governor Daniels then recognized the executive staff of the IEDC and asked that they provide the Board with a report of activity since the prior board meeting. Indiana Secretary of Commerce and IEDC Chief Executive Officer Patricia Miller provided a report on the progress of the IEDC on various organizational matters and initiatives. Secretary Miller noted that the IEDC was now conducting a cost-benefit analysis on each project. She also noted the steps taken to revise certain policies related to the IEDC incentive programs and acknowledged the IEDC's attempts to be flexible and creative in our negotiations. Secretary Miller then recognized the IEDC's new Policy Director, David Lips and noted that Mike Chrysler would be joining the IEDC in the next couple of weeks to focus on the IEDC's insurance initiative. Finally, Secretary Miller gave the board a brief update on the upcoming East Asia Mission. She noted that approximately 85 Indiana business leaders and state and local officials were expected to participate in the mission.

IEDC President Mickey Maurer then provided the Board with an update on the IEDC's activity level. He noted that the IEDC had seen tremendous activity level since the last board meeting. Mr. Maurer noted that year to date, the IEDC had closed 48 deals, resulting in the creation of 4,997 new jobs, the retention of 5,920 existing jobs and the commitment of up to \$669 million in private investment. He added that in securing these projects, the IEDC had committed state incentives totaling approximately \$46.3 million, consisting of grants and tax credits, but excluding the Hoosier Business Investment Tax Credit. Mr. Maurer also noted that the IEDC is currently managing 41 active projects and tracking hundreds of other leads. Finally, Mr. Maurer noted that the IEDC was seeing a high level of deal activity, especially in the areas of transportation, renewable energies and life sciences.

IEDC Executive Vice President Nate Feltman then provided the Board with a summary of the IEDC's strategic planning initiative. Mr. Feltman noted that now that the transformation of the IEDC from the Department of Commerce was complete, the IEDC is moving forward with a strategic economic development plan to provide a framework for the IEDC's efforts in the coming years. He added that the work of the IEDC would build upon existing plans where possible and identify new initiatives and potential collaborations. Finally, Mr. Feltman summarized where the IEDC was in the strategic planning process and informed the board that the IEDC will count on the Board's expertise and input in the planning process.

Governor Daniels thanked the executive staff for their presentations and questioned the staff on the IEDC metrics for project analysis. In particular, Governor Daniels noted a recent article in the Wall Street Journal that pointed out the dangers of over-incentivizing job creation. After a general discussion regarding the topic, the Board asked IEDC staff if in future meetings, they could report on the following items for each project: (i) state incentives offered per job created; (ii) payback period; (iii) wage level for jobs created; (iv) level of local incentives committed; and (iv) industry.

Governor Daniels and the IEDC staff then updated the board on the status of several recently announced agriculture projects relating to ethanol production. Several members of the Board then gave updates on current IEDC projects or initiatives with which they were involved, including Kip Tom, Dane Miller and Bob Koch.

Mr. Maurer then gave the Board a brief update on the IEDC's new policy related to Certified Technology Parks. He also summarized the IEDC criteria for the designation of a Certified Technology Park.

Mr. Maurer then introduced Barkley Garrett, IEDC North Central Regional Director, to present the board with an analysis of a recent IEDC project. Mr. Garrett provided the board with a summary presentation on the Medallion Cabinetry project. Mr. Garrett provided the board with the background of the company and summarized the IEDC's involvement in the project. He noted that other states had made more lucrative offers, and noted the key items that he felt resulted in the project coming to Indiana.

These included customer focus, responsiveness and cooperation. Governor Daniels thanked Mr. Garrett for his presentation. Mr. Koch asked whether a cost-benefit analysis had been prepared for the Medallion Project. Chad Sweeney, IEDC Chief Financial Officer, indicated that an analysis was completed and a copy of the analysis was provided to each member of the Board.

Mr. Maurer then called on Tim Sanders, IEDC Northwest Regional Director, to provide a presentation on a project that the IEDC had "lost." Mr. Sanders discussed a warehouse and distribution facility for Georgia Pacific. He described the IEDC's involvement in the project and summarized the important steps in the project. Mr. Sanders noted that the company decided to locate the facility in Illinois primarily due to the availability of an existing distribution facility. After general discussion regarding the project, Governor Daniels thanked Mr. Sanders for his presentation.

Governor Daniels then noted that IEDC staff had provided a cost-benefit analysis model and related memorandum to the Board in advance of the meeting. He asked if any Board members had any comments or questions regarding the model, which was now being used by the IEDC to evaluate projects. Following a brief discussion regarding the model between the Board and IEDC staff, the board approved of the use of the model as the primary tool for project evaluation.

There being no more business to come before the Board at the public meeting, Governor Daniels concluded the public portion of the meeting, thanked all of the visitors and members of the media for attending and excused the visitors so that the Executive Session could be called to order.

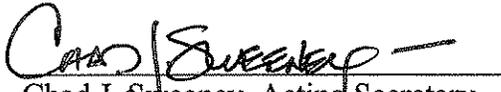
Executive Session

The Executive Session was called to order by Governor Daniels. All members of the Board who attended the open meeting, plus Sarah R. Byrn, attended the Executive Session. Also present were Patricia R. Miller, Michael S. Maurer, Nathan J. Feltman, Chad J. Sweeney and Ryan Asberry, each of the Corporation; Harry L. Gonso, Chief of Staff to the Governor; Jim Wheeler and Thomas P. Miller, each with Thomas P. Miller and Associates; and Peter Howard with Turning Point Associates.

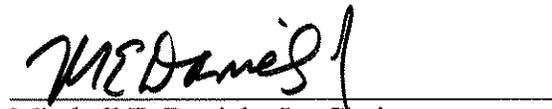
The subject matter of discussion during the Executive Session related to the matters specified in the public notice (I.C. 5-14-1.5-6.1(b) (1) and (7)). No other subject matter was discussed during the Executive Session.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

Respectfully submitted,


Chad J. Sweeney, Acting Secretary

Approved:


Mitchell E. Daniels, Jr., Chairman

Attachments:

1. Public Notice of Meeting
2. Meeting Agenda dated June 30, 2005

**NOTICE OF A MEETING OF THE BOARD OF DIRECTORS OF
THE INDIANA ECONOMIC DEVELOPMENT CORPORATION**

AND

**NOTICE OF EXECUTIVE SESSION OF
THE BOARD OF DIRECTORS OF
THE INDIANA ECONOMIC DEVELOPMENT CORPORATION**

Notice is hereby given that the Board of Directors of the Indiana Economic Development Corporation will hold a public meeting on June 30, 2005, at 11:00 a.m., at the offices of Biomet, Inc. 56 East Bell Drive, Warsaw, Indiana 46581.

In addition, the Board of Directors of the Indiana Economic Development Corporation will hold an executive session on June 30, 2005, at the conclusion of the public meeting, which is anticipated to be at 12:00 p.m., at the offices of Biomet, Inc. 56 East Bell Drive, Warsaw, Indiana 46581, for discussion of records classified as confidential by state or federal statute, IC. 5-14-1.5-6.1(b)(7).

Indiana Economic Development Corporation Board of Directors Meeting

June 30, 2005 (11:00 a.m.)

- I. Welcome
 - Recognition of Quorum
 - Recognition of Compliance with Open Door Law
 - Approval of Minutes from May 9, 2005 Meeting
- II. IEDC Executive Report
- III. Policy Update
- IV. Report and Analysis of recent Win / Loss
- V. Cost - Benefit Analysis Presentation
- VI. Place and Time of Next IEDC Board Meeting

EXECUTIVE SESSION

Consideration of confidential pending incentive requests made to State of Indiana (confidential proposals in progress). IC 5-14-1.5-6.1(b) (1) and (7).