

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
INDIANA ECONOMIC DEVELOPMENT CORPORATION
MARCH 16, 2006

The Board of Directors ("Board") of the Indiana Economic Development Corporation (the "Corporation") met on March 16, 2006 at the Regional Economic Growth Center, 300 E. Main Street, Fort Wayne, Indiana. Present at the meeting were directors Mitchell E. Daniels, Jr., James Marcuccilli, Bruce White, Bill Mays, John Mutz, Cathy Langham, Kip Tom, Dane Miller and Mac McCormick. Bob Koch, Sarah R. Byrn and Tim Solso were absent due to a conflict. Representing the Corporation were Michael S. Maurer, Nathan J. Feltman, Chad J. Sweeney and Ryan Asberry. 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 laws of the State of Indiana and noted that all postings and other related requirements were observed. Governor Daniels then introduced Mac McCormick as a newly appointed member of the Board.

Governor Daniels then reviewed and presented for approval the minutes from the previous Board meeting. Upon motion duly made and seconded, the minutes from the prior meeting were unanimously adopted.

Governor Daniels then acknowledged that the Mayor of Ft. Wayne, Graham Richard was in attendance. Governor Daniels introduced Mayor Richard, who gave a brief presentation to the Board regarding activities in the City of Ft. Wayne.

Governor Daniels then asked the executive staff of the Corporation to provide the Board with a report of activity since the prior Board meeting. Corporation President and Secretary of Commerce Mickey Maurer then provided the Board with an update on the Corporation's deal activity level. He advised the Board that for 2005 the Corporation had closed 142 competitive projects and 162 job training projects. Mr. Maurer noted that these projects involved the commitment to create over 18,000 new jobs, retain 47,000 current jobs and leverage approximately \$3.9 billion in new investment. Mr. Maurer also noted that the Corporation committed less in state incentives in 2005 versus 2004 despite the fact that the number of competitive projects for 2005 exceeded the totals for 2003 and 2004 combined. Mr. Maurer also noted that according to data released by the Department of Workforce Development, Indiana experienced a significant increase in aggregate employment from January 2005 to January 2006. Mr. Maurer then noted that from the period of January 1 to March 10, 2006, the Corporation was exceeding its prior

year performance metrics. Mr. Maurer directed the Board to the metric report provided to the Board in advance and noted that the return to the State of Indiana on completed projects reflects a two to three year return taking into account only direct benefits and just over one year when including indirect benefits. Mr. Maurer noted that the Corporation's pipeline of projects remains very strong, with approximately 35 projects in active negotiation. Mr. Maurer concluded by giving a brief summary of significant projects recently completed, including projects involving Sysco, Toyota and Louis Dreyfus.

Mr. Maurer then called on IEDC Vice President Nathan J. Feltman to provide an update on the upcoming trade mission to Japan and South Korea planned to take place in the later part of June. He noted that it would be a smaller delegation than last year but that we would welcome the participation of the members of the Board.

Governor Daniels then provided a brief update on the recently ended legislative session. Governor Daniels noted that it was a very successful session for economic development initiatives, including Major Moves, telecommunications reform, single factor apportionment for adjusted gross income tax, training reform, extension of HBI and EDGE and the creation of regional venture capital funds. Governor Daniels noted the importance of the adoption of single factor apportionment in the Toyota negotiations, and that it would result in a reduction in the incentives offered to Toyota.

Governor Daniels then called on Chris Pfaff, the Director of Business Development for the Corporation to introduce presentations regarding a "win" and a "loss" from the prior quarter. Mr. Pfaff called on Jeremy Sowders to provide the Board with a summary presentation of the Spartech Plastics project. Mr. Sowders summarized Spartech's business and generally described the project. He noted that the company was looking to consolidate operations into its Richmond facility or its facility located in Greenville, Ohio. Mr. Sowders described the negotiations and felt that while the IEDC put forth a competitive offer, there were business decisions that we could not overcome that resulted in the project going to Ohio. Members of the Board then asked questions and engaged in general discussion regarding the project.

Governor Daniels thanked Jeremy for his presentation and called upon Barkley Garrett, the director of the Corporation's North Central office, to provide a presentation regarding the Sysco project in Hamlet, Indiana. Mr. Garrett provided a summary of Sysco's business operations and described the proposed redistribution center project. He also summarized the issues that were identified as important in the company's site selection process. Mr. Garrett noted that the project was very competitive between Michigan, Illinois and Indiana. Mr. Garrett summarized the Corporation's involvement in the project, the key factors in winning the project and the level of incentives offered by the IEDC. He noted that the project is expected to create up to 566 new Indiana jobs.

Governor Daniels thanked Barkley and then provided a brief summary of the background behind the development of a statewide strategic economic development plan, which was provided to the Board in advance of the meeting. He noted that the Board and many other stakeholders had participated in the development of the plan with the IEDC

staff. A motion was made and seconded to approve the strategic plan in the form provided to the Board. The Governor then called for discussion regarding approval of the plan. At the request of the Board, Nate Feltman summarized the key aspects and priorities in the plan. There followed a general discussion on plans for implementing the plan and measuring its success. Following discussion, the plan was unanimously approved by the Board.

Governor Daniels then called on Bruce Kidd to provide a report of the Entrepreneurship Committee. Mr. Kidd noted that the committee had met earlier in the day to consider and approve grants under the 21st Century Research & Technology Fund. Mr. Kidd described the re-focus of the fund on commercialization of technology. He stated that the committee had now approved 14 grants, all to entrepreneurial companies, totaling approximately \$13 million. Mr. Kidd noted that the pipeline of applications was full and that the committee would now meet every six to eight weeks in order to be responsive to the needs of entrepreneurs. There was then general discussion regarding the terms of the grants and the status of the SBIR matching program.

Governor Daniels thanked Bruce and then called upon John Mutz to provide a report from the Economic Policy Committee. Mr. Mutz noted that staff had presented three projects to the committee for approval, including the Sysco project discussed earlier, Benteler Automotive in Goshen, Indiana and a Industrial Recovery Tax Credit application for a facility in Richmond, Indiana. Mr. Mutz provided a brief summary of the projects and noted that all of the projects were approved by the committee. Mr. Mutz also noted that the committee discussed the current status of the Gary Urban Enterprise Association.

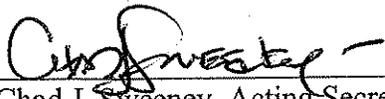
Governor Daniels noted that the next meeting of the Board would be held on June 15th in Vincennes. There being no more business to come before the Board at the public meeting, Governor Daniels concluded the public portion of the meeting, thanked all of the visitors for attending and excused the visitors and members of the media so that the Executive Session could be called to order.

Executive Session

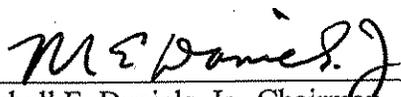
The Executive Session was called to order by Governor Daniels. Present other than members of the Board were Michael S. Maurer, Nathan J. Feltman, Chad J. Sweeney and Ryan Asberry, each of the Corporation. Also present was Joseph E. DeGroff, in his role as outside counsel to the Corporation.

The subject matter of discussion during the Executive Session related to the matters specified in the public notice, i.e., consideration of confidential pending incentive requests made to the State of Indiana (confidential proposals in progress) and discussion of records classified as confidential by state or federal statute, IC. 5-14-1.5-6.1(b). No other subject matter was discussed during the Executive Session.

Respectfully submitted,


Chad J. Sweeney, Acting Secretary

Approved:


Mitchell E. Daniels, Jr., Chairman

Attachments:

1. Public Notice of Meeting
2. Meeting Agenda dated March 16, 2006

**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 March 16, 2006, at 10:30 a.m., at the Regional Economic Growth Center, 300 E. Main Street, Fort Wayne, Indiana.

In addition, the Board of Directors of the Indiana Economic Development Corporation will hold an executive session on March 16, 2006, at the conclusion of the public meeting, which is anticipated to be at 12:00 p.m., at the Regional Economic Growth Center, 300 E. Main Street, Fort Wayne, Indiana, for consideration of confidential pending incentive requests made to the State of Indiana (confidential proposals in progress) and discussion of records classified as confidential by state or federal statute, IC. 5-14-1.5-6.1(b).

Indiana Economic Development Corporation Board of Directors Meeting

March 16, 2006 (10:30 a.m.)

- I. Welcome
 - Recognition of Quorum
 - Recognition of Compliance with Open Door Law
 - Approval of Minutes from December 8, 2005 Meeting
- II. IEDC Executive Report
- III. Legislative Update (2006 General Assembly)
- IV. Report and Analysis of recent Win / Loss
- V. Presentation of Strategic Plan for Approval
- VI. Report of the Entrepreneurship Committee
- VII. Report of the Economic Policy Committee
- VIII. Place and Time of Next IEDC Board Meeting

EXECUTIVE SESSION

Consideration of confidential pending incentive requests made to the State of Indiana (confidential proposals in progress) and discussion of records classified as confidential by state or federal statute, IC. 5-14-1.5-6.1(b).