

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
INDIANA ECONOMIC DEVELOPMENT CORPORATION
MARCH 15, 2007

The Board of Directors ("Board") of the Indiana Economic Development Corporation (the "Corporation") met on March 15, 2007 at the Indiana University Emerging Technologies Center, 351 West 10th Street, Indianapolis, Indiana. Present at the meeting were directors Mitchell E. Daniels, Jr., James Marcuccilli, Bill Mays, John Mutz, Cathy Langham, Bob Koch, Bruce White and Sarah R. Byrn. Absent from the meeting were Mark Holden, Dane Miller, Tim Solso, and Kip Tom. Representing the Corporation were Nathan J. Feltman, Chad J. Sweeney, Rhonda Cook and Ryan Asberry.

Governor Daniels, as chairman of the Board, called the meeting to order. He 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 Jack Pinkus, Vice President of Technology Transfer, Indiana University Emerging Technologies Center. Mr. Pinkus provided welcoming remarks and answered questions from the Board regarding the Center and its operation. The Governor thanked Mr. Pinkus and the Center's staff for hosting the meeting.

Governor Daniels noted that new board member, Mark Holden, was unable to attend the meeting due to a prior commitment. The Governor 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 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 Nathan J. Feltman provided the Board with an update on the Corporation's deal activity level. Mr. Feltman noted that the Corporation's year end totals for 2006 were very positive. The Corporation closed 186 competitive deals, which included 22,000 new job commitments and a record \$8.4 billion in capital investment in the State of Indiana. Mr. Feltman noted that the Corporation is making a great start in 2007 with 30 competitive projects closed, 3,500 new job commitments and over \$500,000,000 in capital investment. Mr. Feltman then provided a summary of project highlights including Beckman Coulter, Advanced Autoparts, AT&T and TS Tech. He noted that the attraction of auto makers to the State of Indiana has spurred the attraction of several auto suppliers. Mr. Feltman noted that the Corporation's pipeline of projects is robust and there are several promising projects that are still in the development stages.

Mr. Feltman also noted that the Corporation held a meeting in Indianapolis for regional economic development leaders from across the State. The purpose of the meeting was to discuss how the Corporation can coordinate State efforts with regional efforts for economic development

in ways such as marketing, matching funds, etc. and ways to further promote the Accelerating Growth plan.

Next, the Corporation's Executive Vice President and General Counsel, Chad Sweeney, provided an update on the Corporation's outside sales efforts. He noted that the Corporation had identified four key cities on which to focus its marketing efforts -- Dallas, Atlanta, Chicago and New York. Mr. Sweeney gave a report on the success of the Dallas trip. He then noted that the Corporation is working with 19 sponsors for events at the Bio Conference in Boston, Massachusetts, which will take place in early May. He also noted that the Corporation would have a presence at the CoreNet real estate conference in Denver, Colorado in May. Finally, Mr. Sweeney updated the Board on new hires the Corporation has made since the prior Board meeting.

A discussion followed regarding the overall economic climate in Indiana. Mr. Feltman noted that investments made in Indiana in 2005 are just now beginning to affect Indiana's economy. He noted that generally, it takes a few years to see the economic impact of a new project. Mr. Feltman noted that Indiana is the only state with three new auto manufacturing opportunities and that these new manufacturers are prompting spin-off suppliers to locate in Indiana. Mr. Feltman noted that Indiana is very competitive in comparison to surrounding states. The Governor added that Michigan and Illinois are enduring fiscal problems and therefore are being forced to increase taxes, unlike Indiana. Mr. Feltman noted that in his opinion the biggest challenge for businesses is health care costs. He also noted that the Corporation is working to align regional resources and that there are several regional groups forming locally with which the Corporation is making an effort to coordinate and partner.

Governor Daniels then discussed the Buy Indiana initiative. The Governor explained that he would be making an effort to see that more state procurement dollars are spent with Indiana companies. He also noted his efforts to persuade local governments, schools, universities and Indiana businesses to spend more of their procurement dollars with Indiana companies.

Next, the discussion turned to current legislative matters. The Governor noted that a top priority is lowering health care costs and reducing the smoking rate. He discussed his highway initiatives and the fact that highway congestion is not only a nuisance, but a cost to businesses because of lost time and productivity. Mr. Feltman noted that the Corporation was tracking two other important pieces of legislation -- the high growth fund legislation and the basic skills tax credit legislation.

The Governor then called on Sally Byrn to introduce three guest speakers. Ms. Byrn began by providing a recap of the 21st Century Fund's successes in 2006. She then introduced Herb Schwartz, President and CEO of Schwartz Biomedical to make a presentation about his company and explain how the 21st Century funding had contributed to its success. Next, Ms. Byrn introduced Rich Early, CEO and Cofounder of Arxan Technologies for a similar presentation, followed by Kevin Boscacci of Prosolia, who also made a presentation to the Board.

Governor Daniels then called on Mr. Sweeney to present a project for approval. Mr. Sweeney noted the Corporation policy requiring projects in which a director has a financial interest be brought to the full board. Consistent with that policy, Mr. Sweeney briefly summarized the Wellpoint specialty pharmacy project in Indianapolis, Indiana. It was noted that Mr. Mays would recuse himself from deliberations on the project. Upon motion duly made and seconded, the project was unanimously approved, other than Mr. Mays who abstained.

Governor Daniels called once again on Ms. Byrn to provide a report of the Entrepreneurship Committee, which met earlier in the day. Ms. Byrn noted that the Committee considered and approved two proposals for grants from the 21st Century Fund.

Mr. Mutz, as chairman of the Economic Policy Committee, then provided a report of the Committee's meeting which took place earlier in the day. Mr. Mutz noted that the Committee considered and approved two proposals for incentives. He noted that the Committee also discussed policy issues regarding enterprise zones.

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

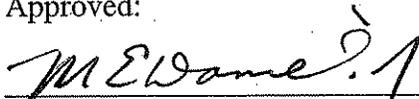
The Executive Session was called to order by Governor Daniels. Present other than members of the Board were Nathan J. Feltman, Chad J. Sweeney, Rhonda Cook, Ryan Asberry and Todd Pedersen, each of the Corporation.

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 15, 2007

**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 15, 2007, at 10:30 a.m., at the Indiana University Emerging Technology Center, 351 West 10th Street, Indianapolis, Indiana.

In addition, the Board of Directors of the Indiana Economic Development Corporation will hold an executive session on March 15, 2007, at 11:30 a.m. at the Indiana University Emerging Technology Center, 351 West 10th Street, Indianapolis, 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 15, 2007 (10:30 a.m.)

- I. Welcome
 - Recognition of Quorum
 - Recognition of Compliance with Open Door Law
 - Approval of Minutes from December 7, 2006 Meeting
- II. IEDC Executive Report
- III. Legislative Update
- IV. Buy Indiana
- V. Entrepreneurship/21st Century Fund Discussion
- VI. Presentation of Projects for Approval
- VII. Committee Reports
 - Entrepreneurship Committee
 - 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).