

**MINUTES OF THE MEETING  
OF THE ENTREPRENEURSHIP COMMITTEE  
OF THE BOARD OF DIRECTORS OF  
THE INDIANA ECONOMIC DEVELOPMENT CORPORATION**

**July 27, 2011**

The Chairperson Sally Byrn convened a meeting of the Entrepreneurship Committee of the Board of Directors of the Indiana Economic Development Corporation at 10:45 a.m. on Thursday, July 27, 2011, at One North Capitol, Suite 700, Indianapolis, IN 46204.

**COMMITTEE MEMBERS PRESENT:** Sally Byrn  
Dane Miller  
John Thompson  
Kip Tom

**COMMITTEE MEMBERS ABSENT:** Cathy Langham

**STAFF PRESENT:** Shawn Peterson  
Tom Skidmore  
Karl Koehler

**OTHERS PRESENT:** Steve Hourigan  
Ting Gootee  
Phil Lodato  
Ryan Pfenninger  
Linda O'Keefe  
David Clark

**WELCOME**

The Chairperson called the meeting to order, recognized the presence of a quorum, and noted conformance with the State Open Door laws and the importance of not exposing confidential information contained in the proposals upon which the recommended investments are based.

## **APPROVAL OF THE JUNE 16, 2011 MEETING MINUTES**

Mr. Thompson moved for approval of the minutes of the June 16, 2011 meeting of the Entrepreneurship Committee of the Board; Mr. Tom seconded; and the motion passed unanimously.

## **PRESENTATION OF 21ST CENTURY RESEARCH & TECHNOLOGY FUND APPLICATION**

Ting Goozee, Vice President of Investments of Elevate Ventures, Manager of the 21<sup>st</sup> Century Research & Technology Fund, presented one recommended projects to the Committee for consideration. Ms. Goozee noted that the respective applicants have submitted the information and documentation required under the Fund's investment guidelines, and that each project conforms with the 21<sup>st</sup> Century Fund goals and objectives and that staff of the Fund and of Elevate Ventures, as well as external reviewers, as applicable, have recommended each project to the Committee for approval.

Emerging Threats Pro, Inc  
*Lafayette, IN (Tippecanoe County)*  
*Up to \$500,000*

Emerging Threats Pro is fast emerging as a leader in the development and provisioning of intelligent cyber security rulesets which power the engines and systems used to protect computer networks against viruses, malware, and otherwise unwelcome traffic. Emerging Threats Pro is uniquely positioned within the network security ecosystem because its solution is platform-agnostic. Its rulesets currently work with the two major intrusion detection systems on the market, Snort and Suricata, and can be adapted to any platform. Because of this, the company has the ability to partner with any appliance or other security solution vendor looking for a top quality ruleset to power its product.

*Mr. Thompson moved for approval of an investment of up to 500,000, contingent upon the company securing at least \$500,000 in private investments and appointing a Board member satisfactory to the IEDC; Ms. Byrn seconded; and the motion passed unanimously.*

## **CONSIDERATION OF PERSONNEL APPOINTMENT**

Mr. Peterson introduced a resolution to appoint Eric Shields as the IEDC Policy Director and Legislative Liaison for small business and entrepreneurship, in compliance with the state codes and statutes.

*Mr. Miller moved for the approval of the resolution; Mr. Tom seconded; and the motion passed unanimously and the Chairperson instructed that a copy of the resolution be placed in the minute book of the Committee.*

**PRESENTATION OF 21ST CENTURY RESEARCH & TECHNOLOGY FUND  
AND SSBCI UPDATES**

Mr. Peterson presented an updated funding structure to deploy the State Small Business Credit Initiative funds for the initiatives previously approved by the Board. Mr. Peterson noted that the updated structure would comply with the funding restrictions imposed by United States Department of the Treasury, and that the structure would be presented to the State Office of Management and Budget and the Treasury Department personnel for final review. Mr. Peterson emphasized that all investment criteria and requests for funds process would be approved by the Board. The intent was to put the structure in place. In the event the Board approves the request for funds criteria and application process at the next Board meeting, the federal funding would be ready for deployment.

Mr. Peterson introduced a resolution authorizing the Secretary of Commerce, Mitch Roob, to execute all necessary documents for the formation and execution of the proposed financing structure to implement and deploy the Treasury funding.

*Mr. Thompson moved for the approval of the resolution; Mr. Miller seconded; and the motion passed unanimously, and the Chairperson instructed that a copy of the resolution be placed in the minute book of the Committee.*

**ADJOURNMENT**

Mr. Peterson thanked the committee. Chairperson Byrn adjourned the meeting at 11:40 a.m.

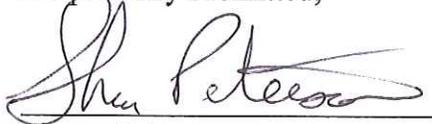
**EXECUTIVE SESSION**

The Chairperson called an executive session of the meeting to order, and the executive session was held to discuss confidential pending incentive requests made to the State of Indiana by industrial or commercial prospects (confidential proposals in progress) and discussion of records and circumstances classified as confidential by state or federal statute, IC 5-14-1.5-6.1(b)(2)(b) and (b)(4) and (7). No subject matter was discussed in the executive session other than the subject matter specified in the public notice.

Attachments:

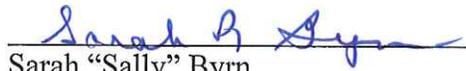
1. Public meeting notice of the July 27, 2011 Board meeting.
2. The meeting agenda dated July 27, 2011.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Shawn Peterson", written over a horizontal line.

Shawn Peterson  
Vice President & General Counsel  
Indiana Economic Development Corporation

Approved,

A handwritten signature in blue ink, appearing to read "Sarah B. Byrn", written over a horizontal line.

Sarah "Sally" Byrn  
Chairperson



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

**AND**

**NOTICE OF EXECUTIVE SESSION OF THE  
ENTREPRENEURSHIP COMMITTEE OF THE BOARD OF  
DIRECTORS OF THE INDIANA ECONOMIC DEVELOPEMNT  
CORPORATION**

Notice is hereby given that the Entrepreneurship Committee of the Board of Directors of the Indiana Economic Development Corporation will hold a public meeting on July 27, 2011, commencing at 10:45 a.m., at One North Capitol, Suite 700, Indianapolis, IN 46204.

Prior thereto, the Entrepreneurship Committee of the Indiana Economic Development Corporation will hold an executive session on July 27, 2011, commencing at 10:00 a.m., at One North Capitol, Suite 700, Indianapolis, Indiana, 46204, for consideration of confidential pending incentive requests made to the State of Indiana by industrial or commercial prospects (confidential proposals in progress) and discussion of records or circumstances classified as confidential by state or federal statute, IC. 5-14-1.5-6.1(b)(2)(B) and (b)(4) and (7).



**Indiana Economic Development Corporation  
Entrepreneurship Committee Meeting  
Public Session Agenda  
July 27, 2011 (10:45a.m.-11:30a.m.)**

- I. Call to Order – Chairperson Sally Byrn
  - Recognition of a Quorum
  - Recognition of Compliance with Open Door Law
  - Reminder to avoid discussion of proprietary IP in the forum
  
- II. Approval of June 16, 2011 Minutes – Chairperson Sally Byrn
  
- III. 21<sup>st</sup> Century Research & Technology Fund Investment Recommendation
  - Emerging Threats Pro, Inc.
  
- IV. SSBCI Update
  
- V. Other Matters

**RESOLUTION OF THE ENTREPRENEURSHIP COMMITTEE  
OF THE BOARD OF DIRECTORS OF THE  
INDIANA ECONOMIC DEVELOPMENT CORPORATION**

WHEREAS, Indiana Code § 5-28-17-5 (the "Act") provides that the Board of Directors (the "Board") of the Indiana Economic Development Corporation ("Corporation") shall designate an employee of the Corporation in its small business division to coordinate with state agencies to improve conditions for small businesses and to carry out certain rulemaking duties, all as set forth in the Act; and

WHEREAS, the Board established and appointed the Entrepreneurship Committee of the Board, comprised solely of duly appointed members of the Board, to oversee the Board's small business duties, inclusive of the duties set forth in the Act; and

WHEREAS, a recent vacancy at the Corporation requires that the Committee designate a new small business ombudsman under the Act, and the Corporation has identified an eligible employee to serve in that capacity;

NOW THEREFORE, BE IT RESOLVED that the Board, by and through the Committee, hereby designates the Corporation's Legislative and Small Business Liaison, Eric Shields, as its small business ombudsman under the Act, and in the event that Mr. Shields is unable or unwilling to continue to serve in that capacity, the Board alternatively designates the Corporation's acting Executive Vice President to serve as the small business ombudsman until a new employee is designated under the Act.

**RESOLUTION OF THE ENTREPRENEURSHIP COMMITTEE  
OF THE BOARD OF DIRECTORS OF THE  
INDIANA ECONOMIC DEVELOPMENT CORPORATION**

WHEREAS, the United States Department of the Treasury (the “Treasury”) is charged with administering the State Small Business Credit Initiative Act of 2010 (the “Act”) which provides, subject to certain conditions, federal funding for state capital access programs and other state credit support programs; and

WHEREAS, the Indiana Economic Development Corporation (the “Corporation”) is charged, pursuant to Indiana law, with administering the State of Indiana’s initiatives to increase access to capital for entrepreneurs, including but not limited to, the Indiana Twenty-first Century Research and Technology Fund (Indiana Code § 5–28–16) (the “21 Fund”), the Indiana Capital Access Program (Indiana Code § 5–28–29), the Indiana Economic Development Fund (Indiana Code § 5–28–8), and the Indiana Business Development Loan Fund (Indiana Code § 5–28–32) (collectively, the “State Programs”); and

WHEREAS, the State of Indiana, by and through the Corporation, entered into an Allocation Agreement with the Treasury dated May 27, 2011 (the “Allocation Agreement”), awarding federal funding under the Act to the Corporation to support the Corporation’s activities, through the State Programs, to encourage the formation and growth of seed funds, angel networks and high-growth lending programs available to Indiana small businesses and to augment the Corporation’s ability to invest in small businesses through the 21 Fund; and

WHEREAS, consistent with the Corporation’s existing State Programs, the Corporation must complete and execute financing documents to establish the financing arrangements to commence the deployment of the federal funding received from the Treasury; and

WHEREAS, the Committee desires to approve the preparation, completion, and execution of the presented financing structures for each of the stated Treasury Initiatives, materially consistent with the State Programs approved the Board and in accordance with the statutory provisions of the Act and the program guidelines issued by the Treasury (collectively, the “SSBCI Regulations”);

NOW, THEREFORE, BE IT RESOLVED that the Committee hereby (i) approves the presented financing structure for each State Program as approved by the Board and consistent with the Allocation Agreement and the SSBCI Regulations and (ii) authorizes the Chief Executive Officer of the Corporation to approve, execute and deliver all financing documents necessary to complete those transactions, each with a maximum amount not to exceed the principal amounts approved by the Board, inclusive of any required state matched and allocated administrative expenses, with a term of not to exceed fifteen (15) years, an interest rate of not less than one percent (1%), a repayment schedule, and any other terms necessary for the funds to be deployed for the State Programs consistent with Indiana law and the SSBCI Regulations, all as approved by the Chief Executive Officer of the Corporation and with the understanding that the Committee must subsequent hereto approve all awards or, in the case of match-investments, the investment criteria for each structure.