

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
MASSACHUSETTS LIFE SCIENCES CENTER**

DATE: February 25, 2009

TIME: 3:00 p.m. EST

PLACE: One Ashburton Place
21st Floor
Boston, Massachusetts

DIRECTORS PRESENT: Undersecretary Jay Gonzalez
Dr. Jack Wilson
Marc Beer
Dr. Josh Boger
Dr. Lydia Villa-Komaroff

DIRECTOR(S) ABSENT: Secretary Greg Bialecki
Dr. Peter Slavin

OTHERS PRESENT: Sue Windham-Bannister
Luis Barros
Angus McQuilken
Robert Sepucha
Melissa Walsh
Louis Antonellis

1. Call to Order.

Undersecretary Gonzalez, presiding as Chairman of the meeting, called to order the meeting of the Board of Directors (the “Board”) of the Massachusetts Life Sciences Center (the “Center”), and announced that a quorum of directors was present. Undersecretary Gonzalez confirmed that all participants could hear each other clearly. The meeting, having been duly convened, was ready to proceed with its business. Robert Sepucha acted as Secretary of the meeting.

2. Approval of Board Minutes.

The Board then reviewed the minutes of the January 27, 2009 meeting. Following discussion, upon motion duly made, seconded and unanimously carried, the Board adopted the following resolution:

RESOLVED, that the minutes of the meeting of the Center's Board held on January 27, 2009 be, and they hereby are, approved as presented at this meeting.

3. Recognition of Service.

Undersecretary Gonzalez noted that, since the last Board meeting, Daniel O'Connell had resigned from the position as Secretary of Housing and Economic Development, as well as his position as director of the Center. Undersecretary Gonzalez thanked Secretary O'Connell for his service and noted that the Secretary has been a key supporter of the life sciences bill and a driving force in luring companies to Massachusetts. Upon motion duly made, seconded and unanimously carried, the Board adopted the following resolution:

WHEREAS, in his capacity as Secretary of the Executive Office of Housing and Economic Development, Daniel O'Connell served as co-chairman of the Board;

WHEREAS, after two years of faithful service to the Commonwealth, Secretary O'Connell recently resigned his position as Secretary and as co-chair of the Board;

NOW, THEREFORE, BE IT RESOLVED, that the Board accepts Secretary O'Connell's resignation and thanks him for his tireless service to the citizens of Massachusetts and the Center, as well as his leadership in fostering economic development and growth throughout the Commonwealth. Because of his leadership and commitment, the Center is better positioned to carry out its mission to position Massachusetts as a global leader in the life sciences. The Board wishes Secretary O'Connell well in his future endeavors.

4. Chair Report.

Undersecretary Gonzalez commented on the Center's operations and the impact of the current economic and fiscal environment on the Center's activities. Undersecretary Gonzalez noted in particular the impact that the federal stimulus bill is expected to have on the Commonwealth and on Massachusetts' life sciences sector, in particular.

5. President's Report.

Dr. Windham-Bannister presented to the Board a review of the Center's results of operations since the January 27, 2009 Board meeting and an overview of the Center's 2009 programs. Dr. Windham-Bannister said the Center continues to be aggressive in its marketing and communications, noting 87 media hits during the month of January. She said that the Center is maintaining a high level of visibility throughout the Commonwealth citing, in particular, a visit to Worcester. She also said that the Center is moving forward with its mission to support job creation by helping companies to grow. She reported that staff members recently had an opportunity to brief members of the Senate about the progress of the Center. Dr. Bannister concluded by speaking about the rapid progress being made with the planning for the BIO Conference being held in Atlanta May 18-21.

6. Program Overview.

Mr. Sepucha next provided the Board with an update of the status of applications for the Center's Accelerator and Tax Incentive Programs, including the number of applications received to date and the feedback the Center has received about its application process. Mr. Sepucha also the Board with an overview of the public outreach the Center has made to companies, investors and service providers to educate the public about the programs.

7. Accelerator Review Process.

Mr. Barros next presented an overview of the process for reviewing and

approving the applications for the Accelerator loan program. Mr. Barros also described the peer review process that is in development for evaluation of the program applications. Mr. Barros said that all applications would be reviewed by MLSC staff, followed by a joint review by the Board's investment committee and the Scientific Advisory Board. In addition, Mr. Barros said that he expected corporate consortium members would be available to serve as an additional source of evaluation and marketplace validation. Finally, Mr. Barros noted that the Chair of the Board's investment committee will make a final recommendation of Accelerator recipients to the Board at its April 29 meeting.

Mr. Beer then commented on the importance of funding technology which will create jobs and congratulated the staff on creating a thorough program which will leverage tax dollars by encouraging private investment in Massachusetts.

8. Workforce Development.

Dr. Windham-Bannister next presented the Board with a proposal for an internship program in furtherance of the Center's mission to improve workforce development in the life sciences sector. Dr. Windham-Bannister said that the program would give students an opportunity, through an eight-week paid summer internship, to explore the life sciences field while also allowing companies and institutions access to workers. The program is open to current undergraduates with concentrations in science, technology and engineering. Dr. Windham-Bannister said that a matching stipend will be offered to companies who cannot afford to fund the program.

Undersecretary Gonzalez said that building a pipeline of qualified workers to support companies in Massachusetts was critical.

Delegate Chmura said that he was encouraged that the Center is addressing the

dearth of young people trained and qualified in life sciences research and commercialization talent issue and noted the importance of experiential learning. He said it is important to have this program adequately staffed to ensure that the internships are high-quality.

Mr. Boger clarified that companies who already have an existing internship program will not be eligible for subsidy funding, which Dr. Windham-Bannister confirmed. He also said that the program provides a good opportunity for companies who already have internship programs to provide an exchange of information and best practices to other companies.

Dr. Villa-Komaroff said that this program will expand the experiences and connections between students and companies and bring real value to companies in a variety of fields.

Upon motion duly made, seconded and approved, the Board adopted the following resolutions:

WHEREAS, the Life Sciences Act provides that the Center may make loans, grants and other investments for workforce development initiatives in the Commonwealth;

WHEREAS, in at its December 2008 meeting, the Board authorized up to \$12,000,000 to be spent on the Center's programs; and

WHEREAS, the Board believes it to be in furtherance of the Center's goals to develop an internship program to provide future life sciences workers in the Commonwealth with "real world" work experiences that complements their classroom training;

NOW, THEREFORE, BE IT RESOLVED, that the Internship Challenge Program in substantially the form as presented to the Board be, and it hereby is, adopted and approved;

RESOLVED FURTHER, that the Board, acting pursuant to the authority delegated under the Life Sciences Act, does hereby authorize the expenditure of monies in an amount not to exceed \$500,000 for the Internship Challenge Program as presented to the Board; and

RESOLVED FURTHER, that the officers of the Center be, and each of them hereby is, authorized, directed and empowered to execute any applications, certificates, agreements or any other instruments or documents or amendments or supplements to such documents, or to do or to cause to be done any and all other acts and things as such officers, in their discretion, may deem necessary or advisable and appropriate to carry out the purposes of the foregoing resolutions.

9. New Investigator Grants.

Dr. Windham-Bannister next presented the Board with a proposal for a second round of new investigator grants. She said that due to restrictions on NIH funding, many scientists are unable subsidize their research which resulted in the initial creation of the new investigator grant program. The program provides matching grant awards of up to \$100,000 to young scientists to keep them in the field. Institutions can submit up to five proposals which are rigorously reviewed by a peer group and the Scientific Advisory Board. Dr. Windham-Bannister proposed a new round of New Investigator Grants totaling \$2,000,000 over a two-year period, with which the Center expects to support up to ten new investigators.

Mr. Boger emphasized that this is a matching program for recipient institutions. He also said that while many programs of this sort fund investigators for three years, he was pleased that, in light of the current fiscal climate, the Center will offer its program over two years rather than institute a more draconian cut, such as eliminating the program entirely. Mr. Beer agreed with Mr. Boger's comments, and further noted that he would like the Board to revisit this issue in approximately six months in the event additional funds become available for an expansion of the program.

Upon motion duly made, seconded and approved, the Board adopted the following resolutions:

WHEREAS, the Life Sciences Act establishes the Massachusetts Life Sciences Investment Fund from which the Center may make loans, grants and

other investments to advance life sciences research in the Commonwealth; and

WHEREAS, in at its December 2008 meeting, the Board authorized up to \$12,000,000 to be spent on the Center's programs; and

WHEREAS, the Board believes it to be in furtherance of the Center's goals to continue its New Investigator Grant Program with certain modifications;

NOW, THEREFORE, BE IT RESOLVED, that the New Investigator Grant Program in substantially the form as presented to the Board with such changes as were discussed be, and it hereby is, adopted and approved;

RESOLVED FURTHER, that each grant issued pursuant to the New Investigator Grant Program shall be subject to execution of a grant agreement in the form approved by the chief executive officer of the Center contingent on the availability of future funding for such program;

RESOLVED FURTHER, that the Board, acting pursuant to the authority delegated under the Life Sciences Act, does hereby authorize the expenditure of monies in an amount not to exceed \$2,000,000 for the New Investigator Grant Program as presented to the Board; and

RESOLVED FURTHER, that the officers of the Center be, and each of them hereby is, authorized, directed and empowered to execute any applications, certificates, agreements or any other instruments or documents or amendments or supplements to such documents, or to do or to cause to be done any and all other acts and things as such officers, in their discretion, may deem necessary or advisable and appropriate to carry out the purposes of the foregoing resolutions.

10. Additional Matters.

The Board having completed its formal business, Undersecretary Gonzalez next offered Louis Antonellis, representing the International Brotherhood of Electrical Workers Local 103, the opportunity to address the Board. Mr. Antonellis expressed concern about the Center funding public corporations.

Ms. Walsh thanked Mr. Antonellis and the members of the IBEW for coming to the meeting. She said that none of the companies cited in the complaint had received funding from the Center. She also said that she hopes to continue conversations with the group and reiterated that the Center is committed to fair labor practices and was pleased to have been able

to use union labor on a build-out of the Center's new headquarters in Waltham.

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11. Adjournment.

There being no further business to come before the meeting, upon motion duly made, seconded and unanimously carried, the meeting was adjourned.

Robert Sepucha
Secretary of the Meeting

APPROVED:

Secretary Leslie Kirwan
Chairman of the Meeting