

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

DATE: July 27, 2011

TIME: 2:00 p.m. EST

PLACE: One Ashburton Place, 21st Floor
Boston, Massachusetts

DIRECTORS PRESENT: Secretary Greg Bialecki
Secretary Jay Gonzalez
Josh Boger, Ph.D
Robert Caret
Abbie Celniker, Ph.D.
Lydia Villa-Komaroff, Ph.D.

DIRECTOR(S) ABSENT: None

1. Call to Order

Secretary Greg Bialecki, 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”) at 2:07 p.m. and announced that a quorum of directors was present. The meeting, having been duly convened, was ready to proceed with its business.

2. Approval of Board Minutes

The Board then reviewed the minutes of the June 22, 2011 meeting. Upon motions duly made, seconded and unanimously carried, the Board adopted the resolution to approve the minutes.

3. Chairs’ Updates

Secretary Bialecki recalled to the Board that as part of economic development legislation

that past last summer, a provision called on the Governor to work with a planning council to prepare more explicit economic development strategies. He explained that he has been chairing the council for four months and will share with the Board in the coming months the framework of the direction the State will take and action items that have measureable benchmarks. He noted that many of these actions will overlap with those taken by the Center.

4. Executive's Report

Dr. Susan Windham-Bannister, the Center's President and CEO, first highlighted that the State's FY12 budget includes \$10 million for the Center's Investment Fund, which is the discretionary budget that includes operating funds. She also announced that as part of the Center's 2011 Tax Incentive program, a new *Life Sciences Jobs Incentive Refundable Credit* will be offered, which provides an additional incentive for existing companies that commit to adding a minimum of 50 net new full-time, permanent life sciences jobs in Massachusetts or companies desiring to re-locate to Massachusetts that commit to add a minimum of 50 net new full-time, permanent life sciences jobs. Companies that would be eligible for this new incentive will still need to comply with all of the requirements (e.g., certification, reporting); and the Center would follow the procedures it currently employs.

As another informational item, Dr. Windham-Bannister informed the Board that the IRS notified the Center that the Center's 401(a) retirement plan received a favorable determination, which entitles the plan to be treated to a favorable tax status. In its review of the plan documents, the IRS would like to have a minor change made to the plan's documents in regard to terminating the plan. She explained that she executed an amendment to the plan that will be submitted to the IRS to effectuate this change.

Dr. Windham-Bannister also provided the Board with an update on the Center's Accelerator Loan program and the Center's decision not to extend a loan, approved by the Board

in March 2011, to one company after it became clear that its financial condition is materially different from that presented in their application and to the Board's Investment Committee. Based on the information that the company's management has given to the Center, it is clear that the company has experienced a significant decrease in actual and projected revenues and cash position from the forecasts provided earlier on in the due diligence process. She noted that she has informed the company of this decision verbally and in writing.

5. MLSC FY11 In Review

Dr. Windham-Bannister presented to the Board a retrospective of the Center's investments over the past year. She described the five strategic priorities that drive the Center's programming: competitiveness, pipeline, workforce supply and distribution, infrastructure and ecosystem, and retention and growth. She explained that the Center develops and offers "best practice" programs that fund innovative economic development initiatives in the Massachusetts life sciences Supercluster, but also may have relevance for other technology sectors. In looking at the overall impact that the Center has had since 2008, she noted that the Center invested \$218 million that attracted matching investments of \$715 million resulting in the creation of 7,038 permanent and building trades jobs.

Dr. Windham-Bannister then summarized the Center's investments to date, which include six capital projects, 23 company grants and loans, 35 academic research grants, 42 tax incentives, 492 funded internships, and 32 equipment and supplies grants for schools. She went on to provided an overview of each of the Center's programs and the strides the Center has taken in making the state "life sciences ready." She concluded her presentation with a mention of several of the Center's notable "success stories" over the past year.

6. Update: BIO 2011 Conference in Washington, D.C.

Angus McQuilken, the Center's VP for Communications, presented to the Board on the Center's role in this year's BIO International Convention, which took place from June 27, 2011 through June 30, 2011 at the Walter Washington Convention Center in Washington, D.C. He displayed several photographs taken throughout the convention which illustrated how the Center accomplished the two main goals it had set: to continue progress made in building relationships with companies and to promote BIO 2012, which will be held in Boston.

Mr. McQuilken informed the Board that the Center again sponsored, with the Mass International Trade Office (MITO), the Global Connect face-to-face meetings with international companies and as a result over 30 business development meetings took place, including a meeting with IDBS, a UK-based company that has since announced plans to expand their operations in Burlington, Massachusetts. He also highlighted the announcement made by Dr. Windham-Bannister and Governor Deval Patrick and the Center's partners from Israel the launch of the Massachusetts-Israel Innovation Partnership (MIIP). Following that, Senate President Therese Murray and the Center's colleagues from Finland and Northern Ireland joined together for an announcement on a new collaboration in the area of tissue engineering.

7. Adjournment

Secretary Bialecki, upon motion duly made, seconded and unanimously carried, adjourned the meeting at 2:53 p.m.

Secretary Greg Bialecki
Chairman of the Meeting

APPROVED:

Secretary Jay Gonzalez
Co-Chair of the Meeting

List of Materials and Exhibits Used During Meeting:

- Minutes from June 22, 2011 Board Meeting
- Executive Report to the Board of Directors
- “FY11 Year in Review” PowerPoint presentation
- “2011 BIO International Convention” PowerPoint slide show