

**MCKNIGHT BRAIN RESEARCH FOUNDATION
BOARD OF TRUSTEES MINUTES
February 15 & 16, 2005**

The quarterly trustee's meeting of the McKnight Brain Research Foundation (MBRF) was called to order at 12:00 p.m. on February 15th in Gainesville, Florida, in the Board Room, at the Gainesville Hilton Hotel.

The following members were present:

Dr. J. Lee Dockery, Trustee
Dr. Michael Dockery, Trustee
Dr. Nina Ellenbogen Raim, Trustee
Mrs. Teresa Borcheck, Corporate Trustee,
SunTrust Bank Endowment & Foundation Services Group

Others Attending:

Mr. Henry Raattama, Legal Counsel
Mr. Tim Nash, Trusco Capital Management
Mr. Paul Robell, University of Florida Foundation
Mrs. Jancy Houck, University of Florida Foundation
Dr. Dennis Steindler, William L. & Evelyn F. McKnight Brain Institute
Dr. Thomas Foster, William L. & Evelyn F. McKnight Brain Institute

1. Approval of Minutes

The minutes of the October 20, 2004 Trustees meeting of the McKnight Brain Research Foundation were reviewed. After corrections were made the minutes were approved.

Action: The trustees approved the minutes for the October 20, 2004 Trustees meeting with corrections.

2. Investment Review

Mr. Nash presented the investment review for fourth quarter 2004 a copy of which is attached as attachment #1. Mr. Nash indicated that the Large Capitalization component of the equity portfolio was currently positioned at 52%, which is slightly lower than the asset allocation benchmark of 60%. Mr. Nash advised that purchases were made recently in this component of the portfolio and the slight underweighting was due to market fluctuations on those new holdings. Trusco Capital will continue to monitor the allocation to this style and will make adjustments as needed to bring the portfolio in line with the Foundations stated target. Mr. Nash was asked to discuss the percentage of investment in the Large Cap Value component of the equity portfolio. He advised that Trusco Capital analysis suggests that Large Cap Value should continue to outperform Large Cap Growth through the first quarter of 2005. Therefore, the recommendation is to maintain the current balance of Growth to Value in the portfolio through the first quarter of 2005. At that time, the asset allocation and returns will be reviewed to determine if the portfolio has received the full benefit of the value component.

Mr. Nash reviewed the monthly investment report that is sent to the Trustees. After discussion, it was determined that the recent changes in the portfolio suggested that a more simplified monthly report would be more appropriate. Mr. Nash will advise Mr. Sebesta to modify the format of the monthly report beginning in March, 2005.

Mr. Nash recommended no changes to the asset allocation or investment policy at this time.

Action:

- A. The Trustees received the investment report for information. No changes were recommended to the asset allocation or the investment policy at this time. The investment report is attachment #1.**
- B. The Trustees agreed to a more simplified monthly investment report, effective March, 2005.**

3. Large Cap Asset Allocation Memorandum

Mr. Raattama presented an updated draft of the October 21, 2004 memorandum regarding Large Cap Asset Allocation. After discussion and minor corrections, the memorandum was approved.

Action: Large Cap Asset Allocation memorandum from Mr. Raattama dated October 21, 2004 was approved with minor correctcons. (Attachment # 2)

4. University of Alabama Gift

The Trustees reviewed correspondence from Dr. Michael J. Friedlander, the Evelyn F. McKnight Professor of Learning and Memory in Aging, regarding the recent research activities funded by the McKnight Brain Research Foundation at the University of Alabama. Dr. J. Lee Dockery's response on behalf of the foundation was reviewed as well. Both letters are attached as items #3 and #4 respectively.

Action: The Trustees received the correspondence from Dr. Michael J. Friedlander as information.

5. University of Florida Gift Match and Financial Review

Mr. Paul Robell and Ms. Jancy Houck presented the Annual Endowment Report for The University of Florida Foundation, Inc. for fiscal year June 30, 2004. The report included an overall performance summary for the Foundation's Endowment as well as individual Endowment Summaries for the McKnight Brain Research Foundation Grant and the Evelyn F. McKnight Chair for Brain Research in Age Related Memory Loss. Mr. Robell verbally reported that the remaining balance of the state match had been received from the State, as well as the internal match by the College of Medicine prior to the time when the state match was completed. This information was also reflected in the written report.

Mr. Robell indicated that the Foundation had made several changes over the past twelve months, many stemming from the unfortunate circumstances surrounding the embezzlement of dollars from the Foundation by a former employee. He advised that a substantial portion of the dollars had been recovered and the University would continue to pursue recovery from the individual, as well as the insurance carrier, and assured the Trustees that the Foundation would be made whole.

The Trustees thanked Mr. Robell and Ms. Houck for their presentation and expressed their thanks to the University of Florida for its vision and support leading to the successful match by the State of the MBRF's gift, dollar for dollar.

The report is attached and made a part of these minutes as attachment #5.

Action: The Trustees received the report from the University of Florida Foundation as information.

6. William L. & Evelyn F. McKnight Brain Institute update

Dr. Dennis L. Steindler, the recently appointed Executive Director at the Evelyn F. and William L. McKnight Brain Institute of the University of Florida, replacing Dr. Luttge who retired in 2004, outlined his vision for the Brain Institute and reaffirmed the McKnight Brain Research Foundation Trustees goals and objectives for the Institute and it's success. Dr. Thomas Foster, the Evelyn F. McKnight Chair for Brain Research in Memory Loss and Dr. Steindler presented an update on the 2003-2004 Investigator-Initiated Grant Proposals.

Action: The Trustees received the report by Dr. Dennis L. Steindler on the William L. & Evelyn F. McKnight Brain Institute for information. (Attachment # 6)

7. Foundation Web-Site Update

Dr. Lee Dockery reviewed the new web-site and confirmed that all of the Trustees and Mr. Raattama has taken an opportunity to explore the site in its current "test" phase. The Trustees thanked Dr. Dockery for his leadership in guiding this important project to completion, and commended him on his insight to partner with the University of Florida to obtain the services of their Information Technology (IT) department to create the site at no cost to the Foundation, and approved taking the test site to live application. The site can be accessed by one of two ways, www.tmbf.org and www.tmbf.com.

Action: Trustees reviewed the test web-site and authorized Dr. Lee Dockery to proceed with final steps to activate the McKnight Brain Research Foundation web-site.

8. 2004-2005 Minimum Distribution Calculations and 2004 990PF review

Mrs. Borcheck presented the estimated 2004-2005 tax year minimum distribution calculations for review. She also presented the 2004 Internal Revenue Service 990 PF for review. Both items were received as information by the Trustees.

Action: Trustees reviewed the 2004-2005 Minimum Distribution Calculations and 2004 Internal Revenue Service form 990PF as information.

9. SunTrust Banks Trustees Fees

Mrs. Borcheck presented information confirming SunTrust Banks fees for serving as Corporate Trustee and providing the administrative and investment services for the McKnight Brain Research Foundation. After discussion regarding the underlying fees being charged by the outside managers of several assets held in the Foundation's portfolio, the discussion was tabled. Mrs. Borcheck and Mr. Sebesta will review this issue and provide a report at the next quarterly Trustee meeting.

Action: Trustees reviewed SunTrust Banks fee information; the discussion was tabled pending a more in depth analysis and report by Mr. Sebesta at the next quarterly meeting.

10. Strategic Planning Meeting – April 2005

Mrs. Borcheck presented a sample agenda for the strategic planning meeting scheduled for April, 2004. After discussion it was determined that the following items would be of primary focus for this meeting: Code of Ethics, Conflict of Interest Policy, Mission Statement (Purpose), Self Evaluation, and Succession Plan. Mrs. Borcheck and Mr. Raattama will gather samples of the various components of the planning session, and assign to the Trustees the topics for which they will assume preliminary responsibility for development of first drafts of these topics in advance of the April meeting.

It was also suggested that this session would be more effective if managed by a facilitator accustomed to working with this type of program. Mrs. Borcheck suggested that SunTrust had individuals on staff qualified to handle this type of assignment and agreed to contact them to determine their willingness and availability to participate.

Action: Mrs. Borcheck presented preliminary ideas for the strategic planning meeting. Mrs. Borcheck and Mr. Raattama will gather samples and assign preliminary responsibility to the Trustees for the development of first drafts of each respective topic. Mrs. Borcheck will engage someone from the SunTrust Corporate Strategies Group to act as a facilitator at this meeting.

11. University of Miami School of Medicine

Mr. Raattama reviewed the recent letter forwarded to the Trustees from the University of Miami regarding the upcoming donor recognition event to be held at the University. The Trustees were able to provide Mr. Raattama with more a more accurate historical summary of the various gifts made to the University by Mr. & Mrs. McKnight and Mr. Raattama will communicate that information to the University. The event is scheduled for February 23, 2005 and Dr. Nina Ellenbogen Raim and Dr. Lee Dockery will attend as representatives of the McKnight Brain Research Foundation and accept the award of recognition on behalf of the Foundation.

Action: The Trustees provided updated information regarding the history of the grants Mr. & Mrs. McKnight made to the University during their lifetime and through the Foundation after Mrs. McKnight's death. Mr. Raattama will provide this information to the University. Dr. Lee Dockery and Dr. Nina Ellenbogen Raim will attend the recognition event on behalf of the McKnight's and the Foundation.

12. Date, Time and Location of Next Quarterly Meeting

The next quarterly meeting of the MBRF will be held at SunTrust and Trusco offices in Orlando Florida on April 19th and 20th.

There being no further business, the meeting was adjourned at 6:15 p.m.

February 16, 2005

Evelyn F. and William L. McKnight Brain Institute of the University of Florida Presentations

The MBRF trustees and legal counsel convened at 8:30 A. M. for a continental breakfast at the Evelyn F. and William L. McKnight Brain institute of the University of Florida with members of the faculty and previous research grant award recipients followed by presentations by five research scientists who have been funded by the Evelyn F. McKnight Brain Research Foundation Grant to the University. Dr. Dennis Steindler, Executive Director at the Evelyn F. and William L. McKnight Brain Institute of the University of Florida hosted the MBRF Trustees for presentations and moderated the scientific sessions.

The meeting adjourned at 1:00 P.M. following lunch with the faculty and research grant award recipients. After lunch a seminar entitled "Life and Death of Neurons in the Aging Cerebral Cortex" was presented by Dr. John Morrison, Professor and Chairman, Department of Neuroscience. Following his presentation, a panel session was hosted by Dr. Steindler, Dr. Morrison, Dr. Anderson, Senior Research Career Scientist, and Dr. Foster, Evelyn F. McKnight Chair for Brain Research in Memory Loss. A copy of the presentations is attached and made a part of these minutes as Attachment #7.

Action: Ms. Borcheck was requested to send letters of thanks to Dr. Steindler and his staff for the excellent meeting arrangements and scientific program.

Summary of Action Items

Action: The Trustees approved the minutes for the October 20, 2004 Trustees meeting with corrections.

Action: A. The Trustees received the investment report for information. No changes were recommended to the asset allocation or the investment policy at this time. The investment report is attachment #1.

B. The Trustees agreed to a more simplified monthly investment report, effective March, 2005.

Action: Large Cap Asset Allocation memorandum from Mr. Raattama dated October 21, 2004 was approved with minor corrections. (Attachment #2)

Action: The Trustees received the correspondence from Dr. Michael J. Friedlander as information.

Action: The Trustees received the report from the University of Florida Foundation as information.

Action: The Trustees received the report by Dr. Dennis L. Steindler on the William L. & Evelyn F. McKnight Brain Institute for information. (Attachment #6)

Action: Trustees reviewed the test web-site and authorized Dr. Lee Dockery to proceed with final steps to activate the McKnight Brain Research Foundation web-site.

Action: Trustees reviewed the 2004-2005 Minimum Distribution calculations and 2004 Internal Revenue Service form 990PF as information.

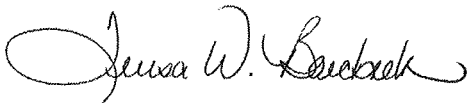
Action: Trustees reviewed SunTrust Banks fee information; the discussion was tabled pending a more in depth analysis and report by Mr. Sebesta at the next quarterly meeting.

Action: Mrs. Borcheck presented preliminary ideas for the strategic planning meeting. Mrs. Borcheck and Mr. Raattama will gather samples and assign preliminary responsibility to the Trustees for the development of first drafts of each respective topic. Mrs. Borcheck will engage someone from the SunTrust Corporate Strategies Group to act as a facilitator at this meeting.

Action: The Trustees provided updated information regarding the history of the grants Mr. & Mrs. McKnight made to the University during their lifetime and through the Foundation after Mrs. McKnight's death. Mr. Raattama will provide this information to the University. Dr. Lee Dockery and Dr. Nina Ellenbogen Raim will attend the recognition event on behalf of the McKnight's and the Foundation.

Action: Mrs. Borcheck was requested to send letters of thanks to Dr. Steindler and his staff for the excellent meeting arrangements and scientific program.

Respectfully Submitted,



Teresa W. Borcheck
SunTrust Bank, Corporate Trustee