

**MINUTES**  
**MCKNIGHT BRAIN RESEARCH FOUNDATION**  
**BOARD OF TRUSTEES MEETING**  
**October 3-5, 2010**

**October 3, 2010**

The quarterly Trustee's meeting of the McKnight Brain Research Foundation (MBRF) was called to order at 12:00 p.m. on October 3, 2010 in the Russell Board Room at the JW Marriott Hotel, Washington, DC.

The following members were present:

Dr. John Clarkson, Trustee  
Dr. J. Lee Dockery, Trustee  
Dr. Michael Dockery, Trustee  
Dr. Nina Ellenbogen Raim, Trustee  
Mrs. Teresa Borcheck, Corporate Trustee

SunTrust Bank Institutional Investment Solutions

Others attending:

Mr. Henry H. Raattama, Jr., Legal Counsel  
Dr. Scott Small, MD, Columbia University  
Ms. Amelia Alverson, VP for Development, Columbia University

Via teleconference:

Mr. Michael Hill, Managing Director, SunTrust Institutional Investment Advisors

**1. Approval of Minutes**

The minutes of the August 10-11, 2010 meeting of the McKnight Brain Research Foundation were reviewed. The minutes were approved as presented (Attachment 1).

**Action Item 1: The trustees approved the minutes of the August 10-11, 2010 meeting as presented (Attachment 1).**

**2. Minimum Distribution Calculation**

The trustees reviewed the projected Minimum Distribution Calculation for information (Attachment 2).

**3. Investment Review**

Mr. Hill presented the investment review and commented on key economic and investment factors for the third quarter (Attachment 3).

- **Weak macro-economic data trumped positive corporate news to send stocks lower in August**
  - Renewed concerns about European sovereign debt and the health of the banking sector weighed on international markets
  - Ten year US Treasury yields declined sharply in August, closing the month below 2.5%
- **SunTrust believes the odds of a “double-dip” recession are low**
  - Key economic metrics differ meaningfully from the 1980-1982 period when the last double dip occurred
  - Manufacturing continues to lead the recovery
  - Easing of lending standards should lead to improved access to capital, which should especially help small business and services sector
- **Stocks remain attractive relative to bonds**
  - August price decline coupled with solid second quarter profits improves valuations
  - Dividend yields on high quality stocks relative to comparable bonds suggest stocks have room to rally
- **Talk of a “bond bubble” misses the mark in our opinion**
  - Flight-to-quality trades and strong bond fund flows pushing yields to record lows
  - Treasuries gained over 4% on a total return basis
  - US Treasury interest rates appear to be fully reflecting the impact of the proposed \$1 trillion quantitative easing part 2 (QE2), in which the Federal Reserve would provide additional stimulus to the market by expanding its balance sheet and purchasing up to \$1 trillion of US Treasury bonds in the open market.

**Action Item 2: The trustees received the Investment Review for information (Attachment 3).**

#### **4. Investment Policy Review**

The trustees reviewed Appendix A and B of the Amended and Restated Investment Policy and agreed that the language accurately reflects the changes approved at the August 10, 2010 meeting.

The Amended and Restated Investment Policy Statement, dated August 10, 2010, was approved as presented (Attachment 4).

**Action Item 3: The Amended and Restated Investment Policy Statement, dated August 10, 2010, was approved as presented (Attachment 4).**

#### **5. Society for Neuroscience 2010 McKnight Poster Session**

The event is a MBRF sponsored and hosted event for graduate students and faculty who will be attending the meeting from each of the four institutions to which the MBRF provides funding. The event will be held on Sunday, November 14, 2010 from 6:30-8:30 pm at the San

Diego Marriott Ballroom in San Diego, CA and will feature scientific poster displays from each of the four institutions. Dr. J. Lee Dockery along with Mrs. Teresa Borcheck will be the trustees in attendance at the event. If other trustees plan to attend, they were requested to notify the corporate trustee so that timely hotel and travel arrangements can be made.

#### **6. Trustees' Board Meeting February 1-2, 2011**

The trustees of the McKnight Brain Research Foundation will be meeting at the University of Alabama at Birmingham (UAB) on February 1-2, 2011. These dates were selected after communicating with the individuals at UAB to determine the most convenient date for them, during which time the trustees could also meet the new dean, Dr. Roy Watts. Arrival time will be before noon on February 1, 2011 and departure by 1:00 PM on February 2, 2011.

#### **7. Trustees' Board Meeting and Inter-Institutional Meeting May 1-3, 2011**

Mrs. Borcheck presented the trustees with the University of Miami's (UM) estimated expenses for the May 1-3, 2011 Inter-Institutional event (Attachment 5). The trustees decided that there would be a \$100,000 cap on what the MBRF will pay for this event. Mrs. Borcheck will continue to work on the meeting logistics with Ms. Susan Fox-Rossellini at UM to comply with the budget approved by the trustees.

**Action Item 4: Mrs. Borcheck will continue to work on meeting logistics with Ms. Susan Fox-Rossellini at UM to comply with the \$100,000 approved budget for the meeting expenses.**

#### **8. University of Miami Gift Agreement**

Mrs. Borcheck and Mr. Raattama presented the trustees with the proposed Memorandum of Understanding (MOU) between the MBRF and University of Miami Miller School of Medicine (Attachment 6). The memorandum stated:

Commencing for UM Fiscal Year 2010 and each fiscal year thereafter:

1. UM will distribute to the Evelyn F. McKnight Brain Institute an amount equal to the "unmatched balance" multiplied by the UM Endowment Spending Policy Rate for the fiscal year in question and
2. If the average of the Endowment Investment Rate of Return for the fiscal year in question and the two immediately preceding years exceeds the UM Endowment Spending Policy Rate, an amount equal to the excess rate multiplied by the "unmatched balance" will be added to the MBRF Endowment.

The MOU was approved and signed by the trustees. Mrs. Borcheck will send an original copy of the signed MOU to the University of Miami, after securing Dr. Salerno's signature, who was unable to attend the meeting. Copies will be sent to each of the trustees also (Attachment 6).

**Action Item 5: Mrs. Borcheck will send an original copy of the signed MOU to the University of Miami, after securing Dr. Salerno's signature, who was unable to attend the meeting. Copies will be sent to each of the trustees also (Attachment 6).**

**9. Strategic Planning/Tag Line to Accompany the MBRF Logo**

The trustees reviewed the top 2 choices for tag lines to be printed in conjunction with the MBRF logo. The top two tag lines were "Preserving Memory, Enhancing Life" and "Preserving Memory Through Research." The trustees agreed upon the "Preserving Memory, Enhancing Life" tag line (Attachment 7).

Mr. Raattama will amend the trademark registration process to include the new MBRF Logo with Tag Line.

**Action Item 6: Mr. Raattama will amend the trademark registration process to include the new MBRF Logo with Tag Line.**

**10. Columbia University**

Dr. Scott Small accompanied by and Ms. Amelia Alverson, both from Columbia University Medical Center (CUMC), presented a proposal for establishment of the Evelyn F. McKnight Brain Center at CUMC. Dr. Small and Ms. Iverson discussed and responded to questions from the trustees about the written proposal which was submitted in advance of the trustees' meeting. Although the proposal was well received by the trustees participating in the discussion, it was the decision of the trustees that no action be taken until after Dr. Salerno has a chance to discuss the proposal with Dr. Small personally. It was suggested that a telephone appointment be made with Dr. Salerno for Dr. Small to discuss the proposal in preparation for a full discussion at the trustees' meeting on October 26, 1010.

**Action Item 7: A telephone appointment should be made with Dr. Salerno for Dr. Small to discuss the proposal in preparation for a full discussion at the trustees' meeting on October 26, 1010.**

There being no further business, the meeting adjourned at 5:00 p.m.

**Summary of Action Items:**

**Action Item 1: The trustees approved the minutes of the August 10-11, 2010 meeting as presented (Attachment 1).**

**Action Item 2: The trustees received the Investment Review for information (Attachment 3).**

**Action Item 3: The Amended and Restated Investment Policy Statement, dated August 10, 2010, was approved as presented (Attachment 4).**

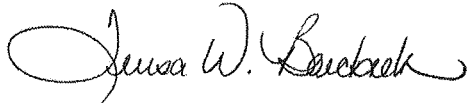
**Action Item 4: Mrs. Borcheck will continue to work on meeting logistics with Ms. Susan Fox-Rossellini at UM to comply with the \$100,000 approved budget for the meeting expenses.**

**Action Item 5: Mrs. Borcheck will send an original copy of the signed MOU to the University of Miami, after securing Dr. Salerno's signature, who was unable to attend the meeting. Copies will be sent to each of the trustees also (Attachment 6).**

**Action Item 6: Mr. Raattama will amend the trademark registration process to include the new MBRF Logo with Tag Line.**

**Action Item 7: A telephone appointment should be made with Dr. Salerno for Dr. Small to discuss the proposal in preparation for a full discussion at the trustees' meeting on October 26, 2010.**

Respectfully Submitted,



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Teresa W. Borcheck  
SunTrust Bank, Corporate Trustee