

MINUTES
MCKNIGHT BRAIN RESEARCH FOUNDATION
BOARD OF TRUSTEES MEETING
October 23, 2013

The Trustee's meeting of the McKnight Brain Research Foundation (MBRF) was called to order at 8:15 a.m. on October 23, in Tucson, AZ in the Executive Board Room of the Tucson Marriott University Park.

The following members were present:

Dr. J. Lee Dockery, Trustee
Dr. Michael Dockery, Trustee
Dr. Nina Ellenbogen Raim, Trustee (via conference call)
Dr. Gene G. Ryerson, Trustee
Dr. Robert M. Wah, Trustee
Ms. Melanie Cianciotto, Corporate Trustee
SunTrust Bank Institutional Investment Solutions

Others attending:

Mr. Henry H. Raattama, Jr., Legal Counsel
Mr. Michael Hill, Managing Director, SunTrust Institutional Investment Solutions (via conference call)
Mr. Dan Ledbetter, Product Manager, Lighthouse Partners (via conference call)

1. Minutes

The minutes of the July 31, 2013 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 July 31, 2013 meeting as presented (Attachment 1).

2. Investment Review

Mr. Hill presented the investment review and commented on key economic and investment factors for the third quarter (Attachment 2).

A. Market Environment

- Developed international stocks outpaced US stocks for the third straight month while emerging markets also outperformed the US for the second straight month after lagging for seven.

- For the first time in five months real estate outperformed equities. Precious metal prices retreated as a result of diminishing geopolitical tensions, smothering a brief two month rally for commodities.
- Interest rates fell for the first month after four straight monthly jumps as the yield on the benchmark 10-year US Treasury ended at 2.61%. Moderating rates boosted returns for all of the major fixed income sectors for the month.

Mr. Hill will stress test the portfolio to show the long-term impact of the distributions on the portfolio. This information will be shared at the February Trustee's meeting.

Action Item 2: The trustees received the investment review for information.

Action Item 3: Mr. Hill will stress test the portfolio and share the outcome at the February Trustee's meeting.

3. Lighthouse Partners

Mr. Ledbetter presented an update on the three Lighthouse funds held in the MBRF portfolio. The Diversified Fund, a multi strategy fund, was up 6.62% year to date. The Global Long/Short Fund, a long/short equity strategy fund, was up 14.91% year to date. The Credit Opportunities Fund, a credit strategy fund, was up 8.30% year to date.

Action Item 4: The trustees received the Lighthouse presentation for information.

4. Minimum Distribution Calculation

The trustees reviewed the projected minimum distribution calculation for information (Attachment 3).

Action Item 5: The trustees reviewed the projected minimum distribution calculation for information (Attachment 3).

5. Bio-Informatics Core

The trustees reviewed and approved the business plan as presented with two conditions (Attachment 4). First, the trustees expressed concern about the intellectual property issues relating to the Translational Genomics Research Institute (TGen – a private company) participation and provision of services within the Core at the University of Arizona (UA) site.

Second, the trustees desired that the potential revenue from the commercialization of any of the research within the Bioinformatics Core should be addressed in advance of the beginning of the operation of the Core.

The trustees recommended a Memorandum of Understanding (MOU) be developed between the directors of the McKnight Brain Institutes and the appropriate executive officer of each

University to which they would agree that all future revenues from commercialization of the products or discoveries within the Core, be returned for the operation of the Core.

Action Item 6:

A. The trustees approved the business plan for the establishment of an Inter-Institutional Bioinformatics Core.

B. Request that TGen provide written agreement that it would have no interest in any intellectual property developed through its relationship with the Core and waive its rights to all future claims.

C. Require the directors of the McKnight Brain Institutes and the appropriate executive officer of each University sign a MOU agreeing that all future revenues from commercialization of products or discoveries developed within the Core be returned for the operation of the Core.

6. Institute of Medicine (IOM) Study

Ms. Cianciotto provided the trustees with a final statement of the planning meeting expenditures for information (Attachment 5). The trustees also reviewed an email from Cathy Liverman requesting suggestions for committee members for the IOM Committee on the Public Health Dimensions of Cognitive Aging (Attachment 6).

Action Item 7: The trustees received a final statement of the planning meeting expenditures for information (Attachment 5).

Action Item 8: The trustees reviewed an email from Cathy Liverman requesting suggestions for committee members for the IOM Committee on the Public Health Dimensions of Cognitive Aging (Attachment 6).

7. Research Partnership In Cognitive Aging

Two original Addenda to the May 2008 Letter of Agreement between The Foundation for the National Institutes of Health, Inc. and The McKnight Brain Research Foundation in support of the renewal of the Research Partnership in Cognitive Aging between the National Institute on Aging and the MBRF were executed by the trustees. Ms. Cianciotto will forward the executed addenda to Ms. Erika Tarver, Project Officer, FNIH which will also be signed by representatives of the FNIH and a signed copy returned to the MBRF.

Action Item 9: Ms. Cianciotto will forward the executed addenda for the renewal of the Research Partnership in Cognitive Aging to Ms. Erika Tarver, Project Manager, FNIH with a signed copy by the FNIH returned to the MBRF.

8. University of Arizona EMBI Business Plan

The trustees tentatively approved a \$10 million endowment to the University of Arizona composed of a \$5 million gift, payable \$1 million annually for 5 years contingent upon a matching gift by the University of Arizona within the same 5 year period. Mr. Raattama will work with representatives designated by the University of Arizona to prepare the gift agreement for review and approval by the trustees.

Action Item 10:

A. The trustees tentatively approved a \$10 million endowment to the University of Arizona composed of a \$5 million gift from the MBRF, payable \$1 million annually for 5 years contingent upon a matching gift by the University of Arizona within the same 5 year period.

B. Mr. Raattama will work with representatives designated by the University of Arizona to prepare the gift agreement for review and approval by the trustees.

9. University of Miami Update

The trustees reviewed the investment performance for the Growth Pool and the market analysis for the endowment for the fiscal year end May 31, 2013 (Attachment 7). Ms. Cianciotto will send a thank you letter to Dean Goldschmidt, Dr. Sacco and Dr. Wright acknowledging the report. In addition, the trustees reviewed an email update from Dr. Ralph Sacco regarding the status of the dissolution of the Schoninger Foundation for information (Attachment 8).

Action Item 11: The trustees reviewed the investment performance for the Growth Pool and the market analysis for the endowment for the fiscal year end May 31, 2013 (Attachment 7).

Action Item 12: Ms. Cianciotto will send a thank you letter to Dean Goldschmidt, Dr. Sacco and Dr. Wright acknowledging the report.

Action Item 13: The trustees reviewed and received for information an email update from Dr. Ralph Sacco regarding the status of the dissolution of the Schoninger Foundation for information (Attachment 8).

10. Electronic Records

The trustees provided Ms. Cianciotto with feedback regarding the secure website. Going forward, Ms. Cianciotto will create a supplemental meeting package to be posted on the secure website. The supplemental meeting package will contain any addition materials that are sent via email after the original meeting package has been provided to the trustees.

Action Item 14: Ms. Cianciotto will create a supplemental meeting package to be posted to the secure website for all future meetings.

11. Upcoming Dates & Events

A. Society for Neuroscience 2013 McKnight Poster Session

The poster/reception is an 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 reception will feature scientific poster displays from each of the four McKnight Brain Institutes. The trustees are invited to attend the event, which will be held on Sunday, November 10, 2013 at a SfN assigned hotel in San Diego, CA.

B. February 2014 Board of Trustees Meeting

The trustees have agreed to hold the February 2014 meeting of the MBRF in Orlando. The trustees will arrive the evening of February 11, 2014. The trustees meeting will be held February 12, 2014 beginning at 8:00 a.m. with breakfast in order to facilitate adjourning at 3:00 p.m. No social activities will be planned on the evening of the arrival.

C. Seventh Inter-Institutional Meeting

The seventh annual McKnight Brain Research Foundation Inter-Institutional Meeting will be hosted by the Evelyn F. McKnight Brain Institute at the University of Florida April 23 – 25, 2014. The trustees will arrive the morning of April 23, 2014 and meet in the afternoon beginning at 12:00 noon. The Inter-Institutional meeting will begin with a reception on the evening of April 23, 2014 followed by the scientific sessions on April 24-25, adjourning at noon on April 25, 2014.

There being no further business, the meeting adjourned at 11.30 a.m.

Summary of Action Items:

Action Item 1: The trustees approved the minutes of the July 31, 2013 meeting as presented (Attachment 1).

Action Item 2: The trustees received the investment review for information.

Action Item 3: Mr. Hill will stress test the portfolio and share the outcome at the February Trustee's meeting.

Action Item 4: The trustees received the Lighthouse presentation for information.

Action Item 5: The trustees reviewed the projected minimum distribution calculation for information (Attachment 3).

Action Item 6:

A. The trustees approved the business plan for the establishment of an Inter-Institutional Bioinformatics Core.

B. Request that TGen provide written agreement that it would have no interest in any intellectual property developed through its relationship with the Core and waive its rights to all future claims.

C. Require the directors of the McKnight Brain Institutes and the appropriate executive officer of each University sign a MOU agreeing that all future revenues from commercialization of products or discoveries developed within the Core be returned for the operation of the Core.

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B. Mr. Raattama will work with representatives designated by the University of Arizona to prepare the gift agreement for review and approval by the trustees.

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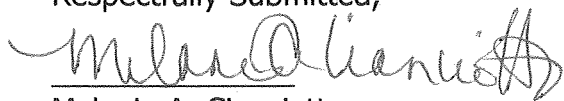
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Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Melanie A. Cianciotto".

Melanie A. Cianciotto
SunTrust Bank, Corporate Trustee