

**MINUTES OF THE MARCH 2, 2012 MEETING OF THE VENTURE CAPITAL
COMMITTEE OF THE BOARD OF DIRECTORS OF THE ILLINOIS FINANCE
AUTHORITY**

The Board of Directors (the “Board”) of the Illinois Finance Authority (the “IFA”), pursuant to notice duly given, held a Venture Capital Committee meeting on March 2, 2012 at 9:30 a.m. in the IFA Chicago Office, Two Prudential Plaza, 180 North Stetson Avenue, Suite 2555, Chicago, Illinois 60601.

IFA Board Members Present:

1. James J. Fuentes, Chairman
2. Dr. William Barclay (via teleconference)

IFA Board Members Absent:

None.

IFA Staff Present:

Christopher B. Meister, Executive Director
Ximena Granda, Acting Chief Fiscal Officer
Mari L. Money, Executive Assistant/Assistant Board Secretary
Pamela Lenane, Vice President and Acting General Counsel
Sohair Omar, Policy/Operations Analyst

I. Call to Order

Chairman Fuentes called the meeting to order at 9:31 a.m. Chairman Fuentes asked the Assistant Board Secretary, Ms. Money to call the roll. There being two members present, a quorum was present.

II. General Business

Ms. Granda presented the 2011 valuation report and mentioned the sale of Ohmx in January 2012. Director Meister stated that the cash flow from the Illinois Venture Capital Fund is negative with time value consideration. Director Meister explained that the administration of the Illinois Venture Capital Fund has consumed considerable staff and legal time and that when including administrative and compliance costs the return is negative. Dr. Barclay concurred. Ms. Granda explained the potential involvement of the Auditor General and the Attorney General. Chairman Fuentes stated that if we consider restarting this program we will have to consider where the IFA will add value. Chairman Fuentes stated that he would like to construct a timeline, overview the mechanics, put a hold on sales, authorize a meeting with the IFA’s Executive Director and Steven L. Victor of Development Specialists, Inc. and present a memo to the Board in March 2012. Dr. Barclay made a motion to make a recommendation to the Board as read by the Chairman of the Venture Capital Committee. Chairman Fuentes seconded the motion.

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Chairman Fuentes requested a roll call vote. The action was approved with 2 ayes, 0 nays and 0 abstentions.

III. Adjournment

A motion to adjourn was made by Dr. Barclay and seconded by Chairman Fuentes. The motion carried unanimously.

The Venture Capital Committee meeting adjourned at 9:50 a.m.

Minutes submitted by:

Mari Money Assistant Board Secretary