

Minutes of the Meeting of the Board of Directors
The University of Kentucky Research Foundation
Thursday, January 15, 2015

The University of Kentucky Research Foundation Board of Directors met at 1:30pm (Lexington time) on Thursday, January 15, 2015 in room 103 Main Building on the University of Kentucky campus.

Meeting Opened

Dr. Lisa A. Cassis, Interim Vice President for Research and Executive Director of the University of Kentucky Research Foundation called the meeting to order. She asked Jack Supplee to call the roll.

Roll Call

The following members of the Board of Directors answered the roll call: Dr. Karyn Esser, Dr. Mark Meier, Mr. William C. Britton, Dr. Eli Capilouto, Dr. Michael Karpf, Mr. Eric Monday, and Dr. Lisa Cassis. Mr. Mark Bryant, Mr. F. Richard Kurzynske, and Mr. Henry Jackson were absent from the meeting. Mr. Supplee announced that a quorum was present.

Board Business

Dr. Cassis thanked the Board members for attending the meeting with such short notice. She then turned the meeting over to President Capilouto for remarks. President Capilouto noted that for nearly 150 years, the University of Kentucky has been rooted in community- with a mission driven by education, service, research, and health care and that today, as a Board we would be considering a move that represents our commitment to all of these missions. He asked the Board to approve the Resolution authorizing the sale of Coldstream Laboratories, Inc. (CLI) and that in doing so, we would be demonstrating the direct linkage between the intellectual capital we possess and nurture on our campus and the potential to grow a healthy, vibrant & sustainable regional and state economy for the future. Following his remarks, Dr. Capilouto turned the meeting over to Mr. Eric Monday (Executive VP of Finance and Administration) and Mr. Murray Clark (VP for Health Affairs & Chief Financial Officer at UK Healthcare) for additional comments regarding the CLI sale.

Mr. Monday reviewed the CLI background with the Board, explaining that their approval of this Resolution would provide CLI with the ability it needs to maximize its production capacity, while providing it with the support for marketing and expansion that only a major player (Piramal) could provide. Additionally, Mr. Monday provided the Board members with the economic impact CLI has had on the local community:

- In 2013, CLI exceeded \$10 million in revenue/sales
- In 2014, \$14 million in revenue and achieved a positive cash flow
- Sales projected for calendar year 2015 are \$18 million
- Currently have 97 employees that average \$58,000 in salaries

Following Board discussion, the meeting was turned over to Dr. Cassis who asked the Board for a motion for approval of the Resolution. A motion was made, seconded and unanimously approved by the Board.

The meeting was adjourned at 2pm.

Jack Supplee
Secretary