Oregon Growth Account Board
Minutes
December 4, 2007

The meeting of the Oregon Growth Account Board was called to order at 10:31 am by Chair, Randall Edwards.

OGA Board Members Present: Richard Bader, Randall Edwards, Tim Phillips, Stan Timmermann, Steve Vincent and Malia Wasson.

Staff Members Present: Ley Garnett, Mike Mueller, Jennifer Peet and Michelle Winegar.

Legal Counsel: Steven Marlowe, Oregon Department of Justice

Consultants Present: Tom Bernhardt, CTC Consulting

I. 10:35 am: Approval of Minutes – September 4, 2007

MOTION: Stan Timmermann moved approval of the September 4, 2007 OGA Board minutes. The motion was seconded by Steve Vincent and passed unanimously by the Board.

The OGA Board members reviewed and discussed tentative ideas/details for the draft 2008 OGA meeting schedule; it was agreed that the OGA Board meetings for 2008 will begin at 10:00 am.

II. 10:41 am: OGA Investment Mandate

Mike Mueller addressed the Board pointing out changes to the Investment Mandate stating that the changes reflected new verbiage but did not change the mandate itself. The Board discussed the idea of revisiting this subject at their next meeting to discuss whether or not legislation in 2008 will affect the OGA Board's investment approach and focus.

III. 10:44 am: Wasatch Venture Fund IV

Nick Efstratis, Managing Director and Todd Stevens, Founder & Managing Director of Wasatch Venture Funds addressed the Board discussing their strategies and track record as they presented their fund; Nick and Todd gave an overview of the size of Wasatch Venture Fund IV, their sector emphasis, their track record, their team, and their unique deal flow as well as a full investment overview.

Rich Bader asked the Wasatch representatives to elaborate for the board on their deal flow in Oregon. Todd spoke about the history of the company and their management team. Nick discussed expansion of their advisory board with the potential inclusion of an Oregon representative.

Tim Phillips addressed follow on capital and Malia Wasson asked Mr. Efstratis about competitive advantages in Oregon, Oregon's infrastructure, and Wasatch's track record. Mike Hennesey was introduced as the key liaison for Oregon if the OGA were to accept their proposal.

Mike Mueller asked about their fundraising and closing goals. Mr. Efstratis stated that their goal was $20-30 million by January 2008 and that they were already halfway there. There were questions and answers; Nick Efstratis and Todd Stevens were thanked for their presentation.

The Board members had an in-depth discussion about the investment proposal with staff and CTC Consulting. Tom Bernhardt gave an overview of CTC's due diligence relating to Wasatch Venture Fund IV with a positive recommendation to invest.

MOTION: Tim Phillips moved approval of staff recommendation for a $5 million commitment with a final close of at least $50 million by the end of 2008, subject to the negotiation of legal documents working in concert with the Department of Justice.

IV. 11:52 AM: Oregon Angel Fund II

Eric Rosenfeld and Robert Ward, fund Managers of the Oregon Angel Fund II addressed the Board citing their investors in Oregon, their track record and their proposal of a three million dollar investment over a three year period; one million dollars each year. It was also presented to the Board that Eric Pozzo will join the fund's management, should the OGA make a commitment over three years.

Mike Mueller introduced Linda Weston's email as testimonial to the efforts and success of first Oregon Angel Fund, and its importance to early seed stage investing in Oregon.

MOTION: Malia moved approval of a three year, one million dollar per year commitment, subject to the negotiation of legal documents working in concert with the Department of Justice. The Motion was seconded by Stan Timmermann and passed unanimously by the board.

V. 1:25 pm; Updates on Divergent Ventures & Blueprint Ventures

Mike Mueller presented updates to the board regarding Divergent and Blueprint. Mike Mueller gave his recommendation that an extension for Blueprint Ventures would be necessary and recommended approval by the Board.

MOTION: Stan Timmermann moved that the board extend the Blueprint Ventures contingent commitment, subject to a closing by June 30th, 2008; Richard Bader seconded the motion, it was passed unanimously by the board.

Divergent was discussed fully amongst the Board members. Mr. Mueller recommended that Divergent Ventures not be granted an extension given their decision to considerably reduce the total size of their investment fund.

MOTION: Tim Phillips moved to withdraw the Board's commitment with Divergent; the motion was seconded by Malia Wasson and passed unanimously by the board. Divergent was encouraged to return to OGA and make a second request for funding, if they are able to find better traction in their fund raising efforts.

VI. 1:35 pm; Quarterly Account Updates

Cash Flow Analysis

Portfolio Update (Comments Provided By CTC Consulting)

Investment Outlook

VII. Public Comment

There was no public comment brought before the Board.

The Board meeting adjourned at 1:50 pm.

Respectfully submitted,

Michelle Winegar
Executive Assistant