

ANNUAL MEETING MINUTES
Phoenix Bioinformatics Corporation,
a California nonprofit corporation
Annual Meeting of the Board of Directors
Held on 29 April, 2014

1. **Time and Place.** The Board of Directors ("Board") of Phoenix Bioinformatics Corporation, a California nonprofit corporation (the "Corporation"), met in person at the Vallombrosa Center in Menlo Park, California on April 29, 2014.
2. **Meeting Notice.** A meeting notice was sent to the directors prior to the meeting date in compliance with the requirements of the Corporation's Bylaws.
3. **Attendance.** All three initial directors of the Corporation were present: Eva Huala, Eric Lyons, and Bob Muller. The following guests were also present by invitation of the Board: Tanya Berardini, Jonathan Dugan, Arthur Grossman, Donghui Li, Murray Phimester, and Todd Vision. All attendees were present from the beginning of the meeting until its adjournment except for Arthur Grossman, who arrived at 11:35 am, and Eva Huala, who was not present in the room during the discussion regarding the Executive Director's compensation.
4. **Presiding Officers and Quorum.** Eva Huala called the meeting to order at 8:35 am and acted as chair thereof, and Tanya Berardini acted as secretary of the meeting. With all three initial members of the Board in attendance, a quorum of the directors was present, and the meeting, having been duly convened, began.
5. **First Set of Presentations.**
 - a. Eva Huala gave the introduction and presented the mission and vision of Phoenix Bioinformatics. Discussion followed the presentation.
 - b. Tanya Berardini gave a presentation on the value of TAIR (The Arabidopsis Information Resource), Phoenix's flagship project. Discussion followed the presentation.
 - c. Eva Huala presented the TAIR subscription model. Discussion followed the presentation.
 - d. Bob Muller presented the Phoenix Financials. Discussion followed the presentation.
6. **Election of New Board Members.** The Board discussed the election of directors and officers. By a vote of 3 for and 0 against, the following resolution was approved and adopted by the Board:
RESOLVED, that the following named persons are elected as directors of the Corporation until their successors are elected and qualified: Jonathan Dugan, Arthur Grossman, Murray Phimester, and Todd Vision. Jonathan Dugan and Arthur

Grossman were elected to two-year terms. Murray Phimester and Todd Vision were elected to three-year terms.

7. **Election of a New Chairperson of the Board.** Nominations for Chairperson of the Board of Directors were taken. Eva Huala and Jonathan Dugan were nominated. Jonathan Dugan was elected unanimously.
8. **Compensation of the Executive Director (ED).** Eva Huala left the meeting room for the duration of this discussion and did not participate in the voting. After a brief discussion, the remaining six board members voted unanimously to approve the Executive Director's salary as detailed in the financial presentation/budget presentation in 5d above. The ED's salary will be reevaluated in January 2015 taking into account the results of this year's activities and a survey of salaries for similar positions.
9. **Provisional 2014 Budget.** The provisional 2014 budget as presented in Bob Muller's financial presentation and detailed in the accompanying handouts was approved unanimously by the Board. It was agreed that a final version of the 2014 budget will be presented to the Board for approval within three months.
10. **Scheduling of Future Meetings.** It was agreed that the next three meetings of the Board will be held as two-hour phone conferences with agenda and detailed supporting documents to be distributed at least a week prior to each meeting, at the following dates and times:
 - a. July 22, 2014, 3 pm Pacific Time
 - b. October 8, 2014, 3 pm Pacific Time
 - c. December 10, 2014, 8 am Pacific Time
11. **Amendments to Bylaws.** The Directors noted that they had reviewed and considered the Bylaws of the Corporation.
 - a. Amendments to Article 3, Section 13 are as follows: "A quorum shall consist of three (3) Directors." The following language will amend and replace the above quoted Section: "A quorum shall consist of at least 50% of the Board with the majority of the quorum being disinterested parties." Based on this review and consideration of this amendment to the Bylaws of the Corporation by the Directors, the following resolution was unanimously adopted.
RESOLVED, that the amendment of Article 3, Section 13, which was presented to the Directors for consideration, is hereby adopted.
RESOLVED FURTHER, that the Officers of this Corporation are authorized and directed to take any action necessary to effectuate the foregoing resolution.
 - b. Amendments to Article 3, Section 1 are as follows: "As of the date of the first annual meeting of the Directors, the authorized number of Directors shall be no fewer than nine (9) and no more than twelve (12)." The following language will amend and replace the above quoted Section: "As of the date of

the first annual meeting of the Directors, the authorized number of Directors shall be no fewer than seven (7) and no more than twelve (12)." Based on this review and consideration of this amendment to the Bylaws of the Corporation by the Directors, the following resolution was adopted by a majority vote of 6 in favor and one opposed to the amendment.

RESOLVED, that the amendment of Article 3, Section 1, which was presented to the Directors for consideration, is hereby adopted.

RESOLVED FURTHER, that the Officers of this Corporation are authorized and directed to take any action necessary to effectuate the foregoing resolution.

12. The following resolution was adopted by unanimous consent:

RESOLVED, that the number of Directors will be seven (7).

13. The following resolution was adopted by unanimous consent:

RESOLVED, that the first annual meeting of the Directors would take place on April 29, 2014 at 8:30 a.m. at the Vallombrosa Center in Menlo Park, CA, instead of the designated meeting time of 1 p.m. on April 1, 2014 at the offices of the Corporation.

14. Action Items for ED and CFO.

- a. Prepare bylaws amendment that changes Article 1, Section 3b to have the Directors fix the compensation of the Executive Director and to have the Executive Director fix compensation, if any, for all other Officers, agents, employees, and contractors of the Corporation.
- b. Prepare a revision of the Financial Policies document. Remove "no restricted donations accepted at this time" from Financial Policies document. Change "invest excess funds in moderate growth -- broad-market index exchange" to "invest excess funds in capital-preserving treasury bills or equivalents". Create a PDF and send to Directors for review.
- c. Prepare a review of lease options with preferences for future office space and send to Directors for review with some explanation of ranking for consideration and approval at the next board meeting.
- d. Prepare a review of compensation and benefits plans for new hires and present to Directors at the next board meeting.
- e. Prepare quarterly financial statements and present to the Directors at the next board meeting.
- f. Revise the presented 5-year financial plan to include a best-case scenario including new hires for comparison for the current scenario that does not include such hiring, prepare Acrobat presentation, send to Directors for review, and present to the Directors at the next board meeting for discussion.
- g. Work with a legal firm to create an appropriate Director's Agreement. Send to Directors for review and discuss at the next board meeting if possible.
- h. Gather data on compensation for ED from comparable industry -- non-profit/bioinformatics. Buy a Bay Area salary survey or use a subscription

service. Use this as information for revisiting ED compensation in December 2014 together with the results of 2014 subscription sales.

- i. Work with a legal firm to prepare an amendment to the bylaws that adds the concept of a non-voting director, send to Directors for review, and approve by written consent or at next meeting.
 - j. Facilitate free access for a selected set of countries with low-income economies. Make use of precedent established by publisher sites such as PubMed Central and Frontiers along with advice of Directors to determine which countries qualify for such access.
15. **Final presentation.** Donghui Li described Phoenix's marketing efforts to date at the country and institutional level.
16. **Adjournment.** The meeting was adjourned at 5:59 p.m. Pacific time.

The foregoing minutes are hereby respectfully submitted by:

Tanya Berardini, Secretary of the Meeting

Meeting minutes approved on: July 22, 2014