

NEVADA CAPITAL INVESTMENT CORPORATION

MINUTES OF BOARD OF DIRECTORS MEETING

Thursday, September 25, 2014

Chair Kate Marshall called the meeting of the Board of Directors of the Nevada Capital Investment Corporation (NCIC) to order at 1:31 p.m., on Thursday, September 25, 2014. The meeting was held via videoconference at the Grant Sawyer Building, 555 East Washington Avenue, Suite 5100, Las Vegas, Nevada, and teleconferenced to the Nevada State Capitol, Guinn Media Room, 101 North Carson Street, Carson City, Nevada.

Present at the meeting:

Board Members

Chair Kate Marshall
Vice Chair Terry Shirey
Richard Bartholet
David Goldwater
Jerrie Merritt

Staff

Mark Mathers,	Chief Deputy Treasurer
Tara Hagan,	Sr. Deputy Treasurer
Shane Chesney,	Sr. Deputy Attorney General

AGENDA

1) Call to order (Chair Marshall)

The meeting was called to order at 1:31 p.m.

2) Roll Call (Tara Hagan)

All members with the exception of James York were present representing a quorum. Staff indicated the meeting was properly noticed and that the agendas were posted in accordance with the Nevada Open Meeting Law.

3) Public Comment

None.

4) Approval of June 26, 2014 meeting minutes (Chair Marshall)

Motion made by Ms. Merritt to approve the meeting minutes as stated, and seconded by Mr. Goldwater. Motion passed unanimously.

5) Presentation of Silver State Opportunities Fund (SSOF) quarterly report ending June 30, 2014 (Dave Helgerson and Miguel Luina – Hamilton Lane)

Hamilton Lane Representatives presented the Silver State Opportunities Fund (SSOF) quarterly report for period ending June 30, 2014. The Hamilton Lane representative updated the Board regarding the current status of the investments in the Fund and the overall private equity market environment. The Representative noted that the overall private equity market is robust with initial public offerings at an all-time high which is making transactions throughout the country more difficult to complete.

Chair Marshall inquired about the performance of the fund to date.

The Representative noted the Fund is on track for an overall net Internal Rate of Return (IRR) of over 7% for June 30, 2014. He noted the audited financial statements should be available in the next few weeks which will confirm the final net IRR.

The Representative noted in addition to performance, the Fund has made advances in growing the private equity ecosystem in Nevada over the past two years. He noted Nevada now has 6 new private equity offices which have hired 11 institutional private equity professionals. He stated the Fund's investment partners have invested in seven local Nevada companies which represents an additional \$125 million invested in Nevada.

Chair Marshall introduced the new board member Mr. Richard Bartholet. She noted Mr. Bartholet is the Director of Research at the Nevada Small Business Development Center, College of Business, University of Nevada, Reno. She stated Mr. Bartholet is a welcome addition to the NCIC Board of Directors and has many years of experience in economic projects and Nevada business opportunities. She noted Mr. Bartholet was appointed by Nevada System of Higher Education Chancellor Dan Klaich.

Mr. Bartholet thanked Treasurer Marshall for the introduction and noted he looks forward to serving on the NCIC Board of Directors. He noted in his experience access to capital for Nevada business has been a major hurdle and he understands how important a program such as NCIC can be to the Nevada business environment.

6) Update Regarding SSOF Investment Activity (Dave Helgerson/Miguel Luina-Hamilton Lane)

Hamilton Lane Representative provided an update to the Board regarding its investment activities during the prior quarterly ending June 30, 2014. He noted the fund has committed 30% of the total capital to date and continues to actively seek investments in both fund investments and co-investments. He stated the firm is currently in the late stages of its due diligence process with three fund managers. The Representative noted the three fund investments should close in the near term. He noted one fund is a mezzanine fund based in the Midwest and the West Regions. He stated the fund manager has completed

previous deals in Nevada and is currently invested in a Nevada business. He stated the fund has top quartile returns. The Representative noted another fund investment is a buyout/turnaround fund which is focused on the Southwest and Northwest Regions. He stated lastly the third fund investment is retail a consumer focused fund.

The Representative provided information related to the two high quality co-investment options currently in the pipeline. He noted these include a retail consumer-based business based in Las Vegas which provides high growth return potential. He stated the second business is an e-commerce platform based business with consistent revenue which is also based in Las Vegas.

7) For possible action: Approval of Kafoury, Armstrong & Co. Engagement Letter for services related to the audit of NCIC Financial Statements for the Fiscal Year ending June 30, 2014. (Dan Carter – Kafoury, Armstrong & Co.)

The Kafoury, Armstrong & Co. representative presented the engagement letter for services related to the audit of NCIC Financial Statements for Fiscal Year ending June 30, 2014. He noted the audit will be performed for NCIC and the engagement letter is standard language which notes the responsibility of management, and the scope and planning of the audit.

**Motion made by Mr. Goldwater to approve as presented, and seconded by Vice Chair Shirey.
Motion passed unanimously.**

11) Public Comments

None.

The meeting was closed at 1:56 PM.

Attest:



Tara Hagan, Secretary to the Board