

ELI WHITNEY ADVISORY COMMITTEE
of Connecticut Innovations, Incorporated
Minutes – Regular Meeting
Thursday, February 7, 2013

A regular meeting of the **Eli Whitney Advisory Committee of Connecticut Innovations, Incorporated** (the “Advisory Committee”) was held on February 7, 2013, at the office of Connecticut Innovations, Inc., 865 Brook Street, Rocky Hill, CT.

1. **Call to Order:** Noting the presence of a quorum, Mr. Santiago called the meeting to order at 2:02 p.m. Advisory Committee members participating: J. Kevin Grogan (by phone), Erik Jansen (by phone), Alan Mendelson (by phone), Rafael Santiago (by phone), Tim Shannon (by phone), and Michael Werle (by phone).

Observers participating: Mun Choi (by phone), and Alex Pencu (by phone).

Staff attending: David Audibert, Margaret Cartiera, Stepheni Harpin, Pamela Hartley, Peter Longo, Shelly Mondo, Lillian Mu, Pauline Murphy, Julie Rader, Doug Roth, Matthew Storeygard, Russell Tweeddale, Daniel Wagner, Mike Wisniewski, and David Wurzer.

2. **Approval of Minutes:**

Mr. Santiago asked the Advisory Committee members to consider the minutes from the January 10, 2013 meeting.

Upon a motion made by Mr. Werle, seconded by Mr. Mendelson, the Advisory Committee members voted in favor of adopting the minutes from the January 10, 2013 meeting as presented (Mr. Santiago abstained, and Mr. Jansen was not present for the vote).

3. **New Investment Proposal:**

“TABS, LLC, Woodbury, CT”

Ms. Murphy discussed the request for a loan of up to \$500,000 for Tactical Awareness Beacon Systems, LLC (“TABS”) from CI’s Growth Loan Fund in two tranches. TABS was founded in 2009 and provides GPS asset tracking solutions for banks. The funds from CI will be used to help the company move forward to fulfill existing orders, expand sales and marketing efforts and more product development. Ms. Murphy reviewed the proposed terms and conditions of the loan. She spoke about the background and experience of the management team. The Advisory Committee members discussed the main product of the company, *ShadowCash*. Mr. Storeygard reviewed the market, market potential for the product and competition. The risks and benefits were discussed.

Upon a motion made by Mr. Jansen, seconded by Mr. Mendelson, the Advisory Committee members voted unanimously in favor of going into executive session at 2:11 p.m. to discuss financial and/or commercial information and/or trade secrets regarding TABS, LLC, Woodbury, CT.

The executive session ended at 2:45 p.m., and the regular meeting was immediately reconvened.

The Advisory Committee members asked questions about the protection of the intellectual property, provisional patents, and a freedom to operate opinion. A discussion ensued. The Advisory Committee recommended that approval of the funding be conditioned upon certain matters relating to the company's IP be further reviewed and acted upon.

Upon a motion made by Mr. Grogan, seconded by Mr. Werle, the Advisory Committee members voted unanimously in favor of recommending to the Eli Whitney Investment Committee an investment of up to \$500,000 for TABS, LLC, Woodbury, CT, contingent upon certain matters relating to the company's IP be further reviewed and acted upon as discussed.

4. Follow-On Investment Proposals:

"P2 Science, New Haven, CT"

Mr. Wagner reviewed the proposed follow-on investment of up to \$500,000 from the CI Seed Fund for P2 Science, New Haven, a specialty chemicals bio refinery founded by Yale scientists and Elm Street Ventures in 2011. He reviewed CI's investment history in the company. The new funding will be used to generate product and marketing development, intellectual property support, laboratory build out, and pilot plant scale-up support. Mr. Wagner discussed the background and experience of the management team and key personnel. He described the product, the market and the risks and benefits of the investment. In response to a question, staff explained the rationale for the amount of CI's participation in the follow-on investment.

Upon a motion made by Mr. Werle, seconded by Mr. Shannon, the Advisory Committee members voted in favor of recommending to the Eli Whitney Investment Committee a follow-on investment of up to \$500,000 for P2 Science, Inc., New Haven, CT (Mr. Mendelson abstained from the vote).

“On Demand Real Time LLC (d/b/a LiveClips), Stamford, CT”

Mr. Roth discussed the proposed additional financing of convertible debt of up to \$350,000 for On Demand Real Time, LLC (“LiveClips”), Stamford to be delivered in two tranches. The LiveClips’ platform delivers personalized real-time video clips to individual sports fans. Mr. Roth reviewed CI’s investment history in the company.

Upon a motion made by Mr. Jansen, seconded by Mr. Werle, the Advisory Committee members voted unanimously in favor of going into executive session at 3:12 p.m. to discuss financial and/or commercial information and/or trade secrets regarding LiveClips, Stamford, CT.

The executive session ended at 3:25 p.m., and the regular meeting was immediately reconvened.

In response to a question, Mr. Longo explained the structure of the investment. The additional funds will be used for working capital.

Upon a motion made by Mr. Mendelson, seconded by Mr. Shannon, the Advisory Committee members voted unanimously in favor of recommending to the Eli Whitney Investment Committee a follow-on investment of up to \$350,000 for On Demand Real Time LLC (d/b/a “LiveClips”), Stamford.

5. Preseed Proposal:

“Shizzlr LLC, Orange, CT”

Mr. Wisniewski reviewed the request for follow-on preseed funding of up to \$200,000 for Shizzlr LLC, Orange, CT. He noted that CI’s funds will be matched by other investors. Mr. Wisniewski reviewed CI’s investment history in the company and talked about the new product developed by Shizzlr, a group chat software development kit and platform that enables developers to add private sharing and group chat into iPhone and Android mobile applications. Mr. Wisniewski discussed the Shizzlr business model and the additional partnership opportunities for the company.

Upon a motion made by Mr. Shannon, seconded by Mr. Grogan, the Advisory Committee members voted unanimously in favor of recommending to the Eli Whitney Investment Committee a follow-up preseed investment of up to \$200,000 in Shizzlr, LLC, Orange, CT.

6. Next Meeting: March 7, 2013, at 2:00 p.m.

7. **Adjournment:** Upon a motion made by Mr. Jansen, seconded by Mr. Grogan, the Advisory Committee members voted to adjourn the February 7, 2013 meeting at 3:40 p.m.

Respectfully submitted,

Rafael Santiago
Acting Chairperson of the Eli Whitney
Advisory Committee