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BOARD OF DIRECTORS
of Connecticut Innovations, Incorporated
Minutes –Regular Meeting
Friday, February 10, 2017

A regular meeting of the **Board of Directors of Connecticut Innovations, Incorporated** (the “Board”) was held on February 10, 2017 at the offices of Cantor Colburn, LLP, 20 Church Street, 22nd floor, Hartford, CT 06103.

1. **Call to Order:** Noting the presence of a quorum, Mr. Cantor, Chairperson of the Board, called the regular meeting to order at 11:10 a.m. Participating: Christopher Bandecchi (by phone); Michael Cantor; Mun Choi; Valarie Gelb; Ashley Bekton (by phone); John Olsen; Paul Pescatello (by phone); Rafael Santiago; David Siegel; Catherine Smith, Commissioner of the Department of Economic and Community Development; Susan Weisselberg, Office of Policy and Management (by phone) and Erika Steiner, Board of Regents of Higher Education

Absent: Richard Mulready, Denise Nappier, State Treasurer’s office, John Pavia and Alexander Pencu

Staff Attending: Lauren Carmody, Leslie Larson, Matt McCooe, Phil Siuta, and Dave Wurzer

2. **Oath of Office and Introduction of New Board Member:**

Mr. Cantor administered the oath of office to Ms. Bekton. Ms. Bekton spoke about her background and experience, and the Board welcomed her as a member.

3. **Approval of Minutes:**

Mr. Cantor asked the members of the Board to consider the minutes from the November 21, 2016 meeting.

Upon a motion made by Ms. Smith, and seconded by Mr. Santiago, the Board members voted in favor of adopting the minutes from the November 21, 2016 meeting as presented. (Erika Steiner and Ashley Bekton abstained from the vote).

4. **Chairman’s Remarks:**

Mr. Cantor emphasized the CT state budget situation and the importance of discussions with legislators as a priority for obtaining additional bonded money to support the CI portfolio of companies. Mr. Cantor also acknowledged this was Dr. Choi's last board meeting and thanked him for his dedication to CI's Board of Directors and wished him success in his new role.

5. **CEO Report:** Mr. McCooe reported on CI's employee satisfaction survey and discussed the scope of the TEconomy report, prepared as result of 2016 legislation. The performance audit revealed that the return on investment of CI state funding is overwhelmingly positive from an economic activity measure. CI's venture program continues to yield positive economic impact for the state and plays a vital role in helping early-stage Connecticut companies grow and succeed. The report also confirmed that the lean CI team has a significant number of programs that it manages and last year made the highest number of investments in CI's history. Compared to other Venture Development Organizations these results make CI a "standard bearer" for best practices.

6. **Business Lines and Operations Updates:**

Mr. Wurzer presented the Q2 FY2017 deal leads from within state, out-of-state and out-of-country. Deal flow has shown solid and consistent growth due to VentureClash marketing, and expanded exposure in Europe and Israel. He added that the best investment opportunities have come from co-investors in existing CI deals. Mr. Wurzer reported that CI had 6 deals that raised more than \$5M and investment in 14 new companies in the first six months of FY2017, with \$10.6 M invested by CI. Mr. Wurzer also discussed the Angel Tax Credit program and highlighted the legislative initiative for transferrable credits as of July 2016, and the unused credits from 2015 forward. Discussion arose about a potential marketing campaign to promote this program to possible new investors.

Mr. Siuta reviewed the Q2 FY2017 financial statements highlighting the assets under management, and the variances from actual versus budget for revenues, operating expenses, program expenses, and investment activities. He also discussed the projected revenues, expenses and cash flows for all of FY2017 and beyond. Discussion arose as to the investing pace and the future funding dollars.

Mr. Siuta requested a motion to consider an addition to the agenda.

Upon a motion made by Mr. Choi, seconded by Ms. Smith the Board members voted in favor of extending the agenda for the approval to allow staff to dissolve a certain entity.

Mr. Siuta explained that, in 1998, CT Innovations created two entities to further its mission. These entities are no longer needed to manage current operations and these entities increase CI's expenses. (Tax returns, Federal and State filings, etc.) So, in an effort to continue to lean operations and reduce costs, Mr. Siuta recommended the approval of the below resolutions to dissolve the following entities.

1. CII/ NEV LLC: Limited Liability Company formed to invest in CiDRA Securities. Purpose to create a "pooled" vehicle for Investment in securities that would allow the company to minimize the number of investors it has to deal with directly so that its management can focus its energy on developing the business. Governed by CII and NEV III LLC.

CiDRA a start-up venture focused on changing rules for multi-parameter sensing in oil fields. Its technology was based on an exclusive license from UTC for use of bragg gratings intellectual Properties in oil field applications.

2. CII Management LLC: The Managing Partner of CII/ NEV LLC. Connecticut Innovations the sole member of the company holding 100% of the interests in the profits, losses and capital of the Company and all power to act on behalf of the company.

Upon a motion made by Ms. Smith, seconded by Mr. Cantor, Connecticut Innovations (CI) at a duly called meeting held on February 10, 2017, a quorum being present, unanimously voted in favor of the following resolution:

RESOLVED:

(1) that the dissolution and liquidation of CII/NEV LLC and the subsequent dissolution and liquidation of Innovations Management LLC, the manager and a member of CII/NEV LLC, pursuant to which 3,740 shares of common stock and 1,260 shares of preferred stock of CiDRA Corporation shall be distributed to Connecticut Innovations, Inc. ("CI") are approved by CI; and

(2) that Matthew McCooe, Chief Executive Officer; David Wurzer, Executive Vice President & Chief Investment Officer; Philip Siuta, Senior Vice President, Chief Financial Officer & Chief Operating Officer; or Peter Longo, Senior Managing Director, Investments, each an "Authorized Signatory", are authorized to execute and deliver for and on behalf of CI such agreements and related documents to cause such dissolutions to be effected, which documents shall (a) be executed by CI no later than April 30, 2017; and (b) contain such terms and conditions as the Authorized

Signatory shall deem to be in the best interests of CI, the Authorized Signatory's approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the Agreement; and

(3) that the Authorized Signatories hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above mentioned agreements.

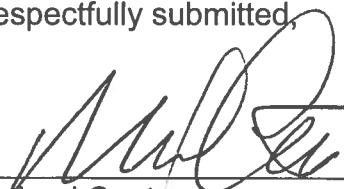
Ms. Carmody discussed changes to the CI website set for April citing the need for a responsive design, dynamic case studies and the ability to make changes to the site without incurring costs. She presented the board with the marketing snapshot for FY17 Q2. She discussed VentureClash 2017, reminding everyone that two industries have been added to the event this year; the date and location have been secured; and applications will open in March. The recruitment process has begun in both the U.S and abroad. She said that VentureClash would be seeking outside sponsorship this year to help defray the cost of the event. Lastly, she shared that CI has supplied 15 portfolio companies access to the digital design team from UConn to help with the development of digital assets.

7. There was no other business.

8. Adjournment:

Upon a motion made by Mr. Olsen, seconded by Mr. Choi, the Board voted unanimously in favor of adjourning the February 10, 2017 meeting at 12:38 p.m.

Respectfully submitted,



Michael Cantor
Chairperson of CI