

ELI WHITNEY ADVISORY COMMITTEE
of Connecticut Innovations, Incorporated
Minutes – Regular Meeting
Thursday, August 10, 2017

A regular meeting of the **Eli Whitney Advisory Committee of Connecticut Innovations, Incorporated** (the “Advisory Committee”) was held on August 10, 2017 at the office of Connecticut Innovations, Inc. (“CI”), 865 Brook Street, Rocky Hill, CT.

1. Call to Order:

Rafael Santiago, Chairperson of the Advisory Committee, noting the presence of a quorum, called the meeting to order at 3:02 p.m. Advisory Committee members present: Erik Jansen (by phone), Rafael Santiago (by phone), Tim Shannon (by phone), and Michael Werle (by phone).

Absent: J. Kevin Grogan, Alan Mendelson and Paul Pescatello

CI Board members attending: Michael Cantor (by phone) and Richard Mulready (by phone).

Staff attending: Matthew Bloom, Elisabeth Gorra, Stepheni Harpin, Amanda Hayward, Max Janik, Peter Longo, Heidi Marshall, Matt McCooe (by phone), Ted Murphy, Patrick O’Neill, Jamie Rinaldi, Douglas Roth, Matthew Storeygard, Carrie White, David Wurzer, and Ting Yi.

2. Approval of Minutes:

Mr. Santiago asked the Advisory Committee members to consider the minutes from the July 13, 2017 “regular” meeting.

Upon a motion made by Mr. Jansen, and seconded by Mr. Werle, the Advisory Committee members voted unanimously in favor of approving the minutes as corrected from the July 13, 2017 “regular” meeting.

3. Change to Order of Agenda:

Mr. Santiago asked the Advisory Committee members to consider changing the order of the meeting agenda so that Quantum Circuits, Inc. would be re-ordered to the end of the agenda due to a committee member’s conflict of interest.

Upon a motion made by Mr. Jansen, and seconded by Mr. Werle, the Advisory Committee members voted unanimously in favor of changing the order of the agenda.

4. **New Venture Debt Proposal:**

“Foresite MSP, LLC – East Windsor, CT”

Mr. Murphy discussed the proposed new venture debt investment in Foresite MSP, LLC. Mr. Murphy explained that Foresite MSP, LLC which was founded in 2013 detects, analyzes, and responds to cybersecurity incidents using a combination of technology solutions and a strong set of processes. It monitors and analyzes activity on networks, servers, endpoints, databases, applications, websites, and other systems, looking for anomalous activity that could be indicative of a security incident or compromise.

Mr. Murphy asked the Eli Whitney Advisory Committee to enter into executive session to further discuss Foresite MSP, LLC.

Upon a motion made by Mr. Jansen, and seconded by Mr. Shannon, the Advisory Committee members voted unanimously in favor of going into executive session at 3:08 p.m. to discuss financial and/or commercial information and/or trade secrets, regarding Foresite MSP, LLC.

The executive session ended at 3:20 p.m., and the regular meeting was immediately reconvened.

Upon a motion made by Mr. Jansen, and seconded by Mr. Shannon, the Advisory Committee members voted unanimously in favor of recommending to the Eli Whitney Investment Committee that financing be approved in an amount of up to \$1,000,000 for the purpose of working capital and product development in Foresite MSP, LLC.

5. **Follow-on Investment Proposal:**

“ActualMeds, Corp. - East Hartford, CT”

Mr. Longo discussed the proposed follow-on investment in ActualMeds, Corp. Mr. Longo explained that ActualMeds, Corp. which was founded in 2009 is an early-stage health-IT company that has developed a cloud-based solution that allows payers and/or health care providers to manage medications for high risk patients. Mr. Longo then when on to discuss CI's investment history with the Company.

Mr. Longo asked the Eli Whitney Advisory Committee to enter into executive session to further discuss ActualMeds, Corp.

Upon a motion made by Mr. Jansen, and seconded by Mr. Werle, the Advisory Committee members voted unanimously in favor of going into executive session at 3:23 p.m. to discuss financial and/or commercial information and/or trade secrets, regarding ActualMeds, Corp.

The executive session ended at 3:30 p.m., and the regular meeting was immediately reconvened.

Upon a motion made by Mr. Jansen, and seconded by Mr. Werle, the Advisory Committee members voted unanimously in favor of recommending to the Eli Whitney Investment Committee that financing be approved in an amount of up to \$175,000 for working capital purposes in ActualMeds, Corp.

6. Other Business:

“CI Investment Policy for Public Company Securities”

Mr. Wurzer briefly reviewed Connecticut Innovations’ request for the approval of the CI Investment Policy for Public Company Securities from the Eli Whitney Investment Committee of the CI Board of Directors.

Mr. Wurzer then gave a brief explanation of the process for monitoring public company securities. He explained that CI’s public company holdings are reviewed with the CI Ventures’ Team quarterly, and with the CI Valuation committee on an annual basis, and then it is reviewed and approved by the Eli Whitney Investment Committee.

Mr. Wurzer then discussed the authorization to execute on sale of portfolio company public securities. He further explained that CI is not proposing any changes to past practices, but simply seeking to adopt a formalin a written policy for sales of public company securities.

A question and answer discussion ensued. Mr. Wurzer indicated that the approvals would be on a case by case basis as the policy states.

Upon a motion made by Mr. Jansen, and seconded by Mr. Shannon, the Advisory Committee members voted unanimously in favor of recommending to the Eli Whitney Investment Committee that the “CI Investment Policy for Public Company Securities” be approved, effective July 1, 2017.

7. **New Investment Proposal:**

“Quantum Circuits, Inc. – New Haven, CT”

Noting a potential conflict of interest, Mr. Shannon left the meeting and was recused from the discussion and vote on Quantum Circuits, Inc.

Mr. O'Neill discussed the proposed new investment in Quantum Circuits, Inc. Mr. O'Neill explained that Quantum computing offers the promise of multiple orders of magnitude faster computation for certain classes of computational problems. Quantum computing does this by leveraging certain properties of quantum mechanics that allow a given bit to exist in more than one state.

Mr. O'Neill asked the Eli Whitney Advisory Committee to enter into executive session to further discuss Quantum Circuits, Inc.

Upon a motion made by Mr. Jansen, and seconded by Mr. Shannon, the Advisory Committee members voted unanimously in favor of going into executive session at 3:45 p.m. to discuss financial and/or commercial information and/or trade secrets, regarding Quantum Circuits, Inc.

The executive session ended at 4:03 p.m., and the regular meeting was immediately reconvened.

Upon a motion made by Mr. Jansen, and seconded by Mr. Shannon, the Advisory Committee members voted unanimously in favor of recommending to the Eli Whitney Investment Committee that financing be approved in an amount of up to \$1,500,000 for the purpose of product development and working capital in Quantum Circuits, Inc.

8. **Date of Next Meeting:** September 7, 2017, at 3:00 p.m.

9. **Adjournment:**

Upon a motion made by Mr. Werle, and seconded by Mr. Jansen, the Advisory Committee members voted to adjourn the August 10, 2017 meeting at 4:05 p.m.

Respectfully submitted,



Rafael Santiago
Chairperson of the Eli Whitney Advisory
Committee