

ADVISORY COMMITTEE
of the Connecticut Bioscience Innovation Fund
Minutes – Regular Meeting
Wednesday, December 14, 2016

A regular meeting of the **Connecticut Bioscience Innovation Fund** (“the Bioscience Fund”) **Advisory Committee** (the “Committee”) was held on December 14, 2016, at the office of Connecticut Innovations (“CI”), 865 Brook Street, Rocky Hill, CT.

Commissioner Catherine Smith stated that she would be acting as Chair of the meeting in place of Mr. McCooe.

Call to Order: Noting the presence of a quorum, Commissioner Smith, acting Chair, called the meeting to order at 10:05 a.m.

Committee members present: Peter Farina, Ph.D. (by phone); Alan Mendelson (by phone); Marc Lalande, Ph.D. (by phone); Catherine Smith (Commissioner of the CT Department of Economic and Community Development (DECD), (by phone)); Yvonne Addo (by phone); Bill LaRoche, Ph.D. (by phone); Kevin Rakin (by phone); Ed Pezalla, M.D. (by phone).

Other Attendees: David Wurzer (CI); Ariel Drew (CI); Carrie White (CI); Pauline Murphy (CI); Kevin Crowley (CI) Lillian Mu (CI); Jamie Rinaldi (CI); Peter Longo (CI); Rob Michalick (DECD & CI).

Approval of Minutes

Commissioner Smith asked the Committee members to consider the minutes from the November 16, 2016 meeting.

Upon a motion made by Dr. Farina, seconded by Dr. Lalande, the Advisory Committee members voted unanimously in favor of adopting the minutes from the November 16, 2016 meeting as presented.

Advisory Committee Welcome

Mr. Wurzer welcomed Kevin Rakin to the Advisory Committee. He stated that with a strong investment background focused on bioscience and healthcare, Mr. Rakin will be a valuable addition to the Committee.

New Investment Opportunities

- *CaroGen Corporation – Farmington, CT*

Connecticut Bioscience Innovation Fund Advisory Committee

Mr. Crowley and Ms. Mu presented the proposed follow-on investment in an existing CI portfolio company. They discussed the use of funds and provided an update on the company's growth and progress since the original Bioscience Fund investment was made.

Upon a motion made by Mr. Mendelson, seconded by Dr. Farina, the Advisory Committee members voted in favor of going into executive session at 10:15 a.m. to discuss financial and/or commercial information and/or trade secrets regarding CaroGen Corporation.

The executive session ended at 10:20 a.m., and the regular meeting was immediately reconvened.

Mr. Wurzer stated that CI's historical approach to determining in whether or not to convert outstanding debt instruments has been the responsibility of the CI Ventures' team as part of their portfolio management function. The Eli Whitney Committee has concurred with CI's process and approach to evaluating such conversions, when appropriate. There was agreement from the Bioscience Fund Committee to have the CI Ventures' team follow the same approach for Bioscience Fund investments.

Upon a motion made by Mr. Mendelson, seconded by Dr. Farina, the Advisory Committee members voted unanimously in favor of approving the following resolution:

Resolved:

(1) that financing is approved by the Connecticut Bioscience Innovation Fund ("Bioscience Fund") for CaroGen Corporation of Farmington, CT in an amount of up to One Million Dollars (\$1,000,000) for the purpose of product development, sales and marketing, and working capital; 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 the Bioscience Fund such agreements and related documents to cause such investment to be effected, which documents shall (a) be executed by CI no later than June 30, 2017; and (b) contain such terms and conditions as the Authorized Signatory shall deem to be in the best interests of the Bioscience Fund, including terms and conditions relating to the matters described in Section 6 of the Regulations, 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 Agreement.

PITCH Update

Ms. Drew provided an update that the PITCH team has submitted a revised budget request in order to reallocate unspent funds from 2016. She stated that the majority of the reallocations are for additional personnel hires and permanent equipment costs. Due to time-sensitive equipment purchases requested as part of the reallocation, CI will approve a small portion of the re-budgeted costs prior to the end of the year. The PITCH team will present the remaining reallocation items, and a formal request for approval of the Committee, at the January meeting.

Other Business

Mr. Wurzer stated that the CI team will work to schedule a date in February-March 2017 for the Committee's off-site strategic meeting. He reminded the Committee of the CI Committees' retreat scheduled for February 2, 2017; the retreat will be an overall update of all of CI's portfolio and investments given to the Bioscience, Eli Whitney and Valuation Committees.

Adjournment

Upon a motion made by Mr. Mendelson, seconded by Dr. Lalande, the Advisory Committee members voted unanimously in favor of adjourning the meeting at 10:35 a.m.

Respectfully Submitted,



Commissioner Catherine Smith
Department of Economic and Community Development
Acting Chair Person