

ADVISORY COMMITTEE
of the Connecticut Bioscience Innovation Fund
Minutes – Regular Meeting
Wednesday, September 21, 2016

A regular meeting of the **Connecticut Bioscience Innovation Fund** (“the Bioscience Fund”) **Advisory Committee** (the “Committee”) was held on September 21, 2016, at the office of Connecticut Innovations (“CI”), 865 Brook Street, Rocky Hill, CT.

Call to Order: Noting the presence of a quorum, Matthew McCooe, Chief Executive Officer of Connecticut Innovations, and Chairperson of the Committee, called the meeting to order at 10:04 a.m.

Committee members present: Matt McCooe; Peter Farina, Ph.D.; William LaRochelle, Ph.D. (by phone--left the meeting at 10:30 a.m.); Charles Lee, Ph.D.; Alan Mendelson; Carolyn Slayman, Ph.D.; Ed Pezalla, M.D (left the meeting at 11:30 a.m.); Marc Lalande, Ph.D.; Catherine Smith (Commissioner of the CT Department of Economic and Community Development).

Other Attendees: David Wurzer (CI); Ariel Drew (CI); Carrie White (CI, by phone); Pauline Murphy (CI); Lillian Mu (CI); Matthew Storeygard (CI); Dan Wagner (CI); Craig Crews, Ph.D. (Yale, by phone); Jane Merkel, Ph.D. (Yale, by phone).

Approval of Minutes

Mr. McCooe asked the Committee members to consider the minutes from the July 20, 2016 meeting.

Upon a motion made by Dr. Farina, seconded by Dr. Slayman, the Advisory Committee members voted in favor of adopting the minutes from the July 20, 2016 meeting as presented. VOTE: 9-0-0 (In favor: Smith, Pezalla, McCooe, LaRochelle, Lee, Mendelson, Lalande, Farina, Slayman).

Investment Opportunities

- *AlloMek Therapeutics*

Mr. Wagner and Ms. Mu provided an overview of the company and discussed the use of requested funds, risks, benefits and the deal terms associated with the investment opportunity.

Questions were raised regarding the GLP toxicity studies that are critical in order to demonstrate efficacy and safety, as well as the applicability of molecules in human models. A discussion ensued regarding the amount of capital necessary for the

company to complete the required toxicity studies. There was general consensus from the Committee that should the company request follow-on funding from the Bioscience Fund, additional funding would be contingent upon efficacy and safety progress/results, as well as potential matching funds from outside sources.

Upon a motion made by Commissioner Smith, seconded by Dr. Lee, the Advisory Committee members voted in favor of approving the following resolution:

Resolved:

(1) that financing is approved by the Connecticut Bioscience Innovation Fund (“Bioscience Fund”) for AlloMek Therapeutics of Hartford, CT in an amount of up to five hundred thousand dollars (\$500,000) 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 March 31, 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.

- *Wellinks*

Mr. Storeygard and Ms. White presented the company and its current stage of development, and an overview of the management team, CI’s risk assessment and details of the potential investment. A discussion ensued regarding the Company’s planned reimbursement strategy and patient compliance with proper use of the device.

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

Resolved:

(1) that financing is approved by the Connecticut Bioscience Innovation Fund (“Bioscience Fund”) for Wellinks of New Haven, CT in an amount of up to five hundred thousand dollars (\$500,000) 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 March 31, 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 Program Management Hire and Budgetary Revisions

Dr. Crews and Dr. Merkel joined the call, and gave the Committee an update on the last 9 months of activity in the PITCH program – approved by the Committee in July of 2015 and awarded \$9,999,995. Dr. Crews provided justification to the proposed budget reallocation request and the need for the PITCH team to hire an additional support person in order to assist with program operations.

Commissioner Smith thanked the PITCH team for the work done thus far, and the Committee echoed her remarks by indicating that the activity and developments within the first year of the program were excellent.

Upon a motion made by Dr. Pezalla, seconded by Dr. Lee, the Advisory Committee members voted in favor of approving the budget reallocation request in support of hiring a Program Manager for the PITCH team. VOTE: 8-0-0 (In favor: Smith, Pezalla, McCooe, Lee, Mendelson, Lalande, Farina, Slayman).

Operating Procedures Update

Mr. Wurzer stated that CI held a public meeting and posted the draft revised Bioscience Fund Operating Procedures to the CT Law Journal for 30 days, as required. As no

Connecticut Bioscience Innovation Fund Advisory Committee

comments or rebuttals were received by the public, he asked the Committee for a motion to approve the final revised Bioscience Fund Operating Procedures.

Upon a motion made by Commissioner Smith, seconded by Dr. Lee, the Advisory Committee members voted in favor of approving the final Operating Procedures document for the Bioscience Fund. VOTE: 8-0-0 (In favor: Smith, Pezalla, McCooe, Lee, Mendelson, Lalande, Farina, Slayman).

BIO Path/Technology Talent Bridge (TTB) Discussion

Mr. Wagner presented the BIO Path program within Southern Connecticut State University (SCSU), and discussed the strategic opportunity the Bioscience Fund has to leverage Fund dollars in order to support student internships in life sciences at SCSU. He discussed the opportunity for CTNext's current TTB internship program to partner with BIO Path to source internships and potential CT companies that could participate in the program.

A discussion ensued. Mr. Wagner stated that a formal presentation of the program and application processes will be presented to the Committee in the coming months.

Fund of Funds Discussion

Mr. McCooe reminded the Committee that recent legislation passed allowing the Bioscience Fund to invest in other venture funds. He presented possible commitment requests that will be brought forward to the Committee when investing in a Fund of Funds, and discussed the advantages of the opportunity; including attracting outside venture capitalists to the state of CT, leveraging third party capital and the possible additional investment opportunities that may come to the Bioscience Fund pipeline. A plan will be brought forward to the Committee for further review when appropriate.

CT Microbiome Initiative

Dr. Lee presented the CT Microbiome Initiative, an initiative that will benefit bioscience research and infrastructures throughout the state. He discussed the goals and vision for a self-sustaining Microbiome Center in CT, and asked the Committee for thoughts on the concept. A discussion ensued. There was general agreement from the Committee that while the initiative is an exciting concept, it does require a partnership between public and private institutions. The Committee requested that a formal partnership between JAX, Yale University, and UCHC be established to lay the foundation of the initiative, prior to the Committee moving forward with next steps.

Adjournment

Upon a motion made by Mr. Mendelson, seconded by Commissioner Smith, the Advisory Committee members voted in favor of adjourning the meeting at 12:02

Connecticut Bioscience Innovation Fund Advisory Committee

p.m. VOTE: 7-0-0 (In favor: Smith, McCooe, LaRochelle, Lee, Mendelson, Lalande, Farina, Slayman).

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Matt McCooe", written over a horizontal line.

Matthew McCooe, Chief Executive Officer
Connecticut Innovations