

ELI WHITNEY ADVISORY COMMITTEE
of Connecticut Innovations, Incorporated
Minutes – Regular Meeting
Thursday, May 8, 2014

A regular meeting of the **Eli Whitney Advisory Committee of Connecticut Innovations, Incorporated** (the “Advisory Committee”) was held on May 8, 2014, at the office of Connecticut Innovations, Inc., 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 2:02 p.m. Advisory Committee members participating: Gail Coppage (by phone), Erik Jansen (by phone), Alan Mendelson (by phone), Rafael Santiago (by phone), Tim Shannon (by phone), and Michael Werle (by phone).

Members absent: J. Kevin Grogan

Other Board members attending: Michael Cantor, Mun Choi (by phone), and Alex Pencu (by phone).

Staff attending: Heidi Bieber, Kevin Crowley, Stepheni Harpin, Peter Longo, Douglas Roth, Lillian Mu, Pauline Murphy, Patrick O’Neill, Julie Rader, Matthew Storeygard, Glendowlyn Thames, Russ Tweeddale, Daniel Wagner, Michael Wisniewski, and David Wurzer.

Others Present: Jonathan Roth (by phone)

2. **Approval of Minutes:**

Mr. Santiago asked the Advisory Committee members to consider the minutes from the April 23, 2014 meeting.

Upon a motion made by Mr. Jansen, and seconded by Mr. Shannon, the Advisory Committee members voted in favor of adopting the minutes from the April 23, 2014 meeting as presented. (Ms. Coppage and Mr. Mendelson were not present for the vote).

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

“ZetrOZ, Inc. – Trumbull, CT”

Mr. Wurzer discussed ZetrOZ, Inc., an early-stage pain management company. They are seeking an investment of up to \$1,000,000 as part of a Series A-1 equity round to provide manufacturing scale-up, sales and marketing, clinical studies, and working capital.

Mr. Storeygard gave a brief update on the company.

Upon a motion made by Mr. Shannon and seconded by Mr. Jansen the Advisory Committee members voted unanimously in favor of going into executive session at 2:10 p.m. to discuss financial and/or commercial information and/or trade secrets regarding ZetrOZ, Inc., Trumbull, CT.

The executive session ended at 2:37 p.m., and the regular meeting was immediately reconvened.

Upon a motion made by Ms. Coppage, seconded by Mr. Shannon, the Advisory Committee members voted unanimously in favor of recommending to the Eli Whitney Investment Committee an investment of up to \$1,000,000 as part of a Series A-1 equity round for ZetrOZ, Inc., Trumbull, CT.

“Logicbroker, Inc. – Shelton, CT”

Mr. Penner discussed Logicbroker, Inc., located in Shelton, CT, Logicbroker is seeking approval for an equity financing of preferred stock of up to \$1,000,000 to be distributed in two milestone based tranches. This financing will be part of a minimum \$2,300,000 Series A-1 round. He explained that Logicbroker, Inc. will use the proceeds to assist in the further development and the marketing and sales of its ecommerce EDI integration platform.

Upon a motion made by Ms. Coppage and seconded by Mr. Shannon the Advisory Committee members voted unanimously in favor of going into executive session at 2:45 p.m. to discuss financial and/or commercial information and/or trade secrets regarding Logicbroker, Inc., Shelton, CT.

The executive session ended at 3:00 p.m., and the regular meeting was immediately reconvened.

Upon a motion made by Ms. Coppage, seconded by Mr. Pencu, the Advisory Committee members voted unanimously in favor of recommending to the Eli Whitney Investment Committee an investment of up to \$1,000,000 to be distributed in two milestone based tranches for Logicbroker, Inc., Shelton, CT.

4. **Preseed Update and Internal Approval Process:**

Mr. Crowley gave a brief history on the Pre-Seed Program. He explained that the Connecticut legislature enacted the PreSeed program for Connecticut Innovations in 2010. Since that time, 50 companies have received PreSeed investments for a total of \$6.715M dollars. Those investments were made in 94 tranches. Companies have raised more than \$21.8M since CI's initial investment.

To date, five companies have been defaulted or were dissolved, three companies have paid their notes off, including two that are now publicly traded. An additional seven companies have gone on to raise a larger Seed or Series A round and 35 companies are still operational in our PreSeed portfolio.

Based on legislative authorities provided last session and the natural evolution of the program, the following changes and modifications as presented are requested to both PreSeed and our general internal approval process for investments up to \$150k:

Upon a motion made by Ms. Coppage, seconded by Mr. Mendelson, the Advisory Committee members voted unanimously in favor of recommending to the Eli Whitney Investment Committee that the Memorandum entitled "Changes to the PreSeed, Internal Approval of Investments up to \$150k transaction" is approved by Connecticut Innovations, Inc.

5. **Other Business:**

There was no other business to discuss.

6. **Next Meeting:** June 5, 2014, at 2:00 p.m.

7. **Adjournment:** Upon a motion made by Ms. Coppage, seconded by Mr. Mendelson, the Advisory Committee members voted to adjourn the May 8, 2014 meeting at 3:07 p.m.

Respectfully submitted,



Rafael Santiago
Chairperson of the Eli Whitney Advisory
Committee