

**ELI WHITNEY ADVISORY COMMITTEE**  
of Connecticut Innovations, Incorporated  
Minutes – Regular Meeting  
Thursday, July 10, 2014

A regular meeting of the **Eli Whitney Advisory Committee of Connecticut Innovations, Incorporated** (the “Advisory Committee”) was held on July 10, 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 2:03 p.m. Advisory Committee members participating: J. Kevin Grogan (by phone), Erik Jansen (by phone), Alan Mendelson (by phone), Rafael Santiago (by phone), and Michael Werle (by phone).

Members absent: Gail Coppage and Tim Shannon

Others Present: Mun Choi (by phone), Alex Pencu (by phone), Paul Pescatello (by phone), and Jonathan Roth (by phone).

Staff attending: Heidi Bieber, Matthew Bloom, Michael Cummiskey, Kevin Crowley, Lori Granato, Claire Leonardi, Peter Longo, Lillian Mu, Pauline Murphy, Patrick O’Neill, Chris Penner, Julie Rader, Douglas Roth, Matthew Storeygard, Glendowyn Thames, Russ Tweeddale, Daniel Wagner, Michael Wisniewski, David Wurzer, and Mark Zhu.

2. **Approval of Minutes:**

Mr. Santiago asked the Advisory Committee members to consider the minutes from the June 5, 2014 meeting.

**Upon a motion made by Mr. Grogan, and seconded by Mr. Werle, the Advisory Committee members voted unanimously in favor of adopting the minutes from the June 5, 2014 meeting as presented.**

3. **New Investment Proposal:**

**“IsoPlexis, Inc. – Branford, CT”**

Mr. Wagner discussed IsoPlexis, an early-stage life science research tools company that was founded in 2012. He explained that IsoPlexis is seeking an investment of up to \$500,000 from Connecticut Innovations as part of an up to \$1,250,000 Series A Equity round. Mr. Storeygard presented on their intellectual property, market, competition, go-to-market strategy and financial projections. Mr. Wagner then briefly reviewed the peer review, key personnel, key advisors, risks and benefits and the Series A participating convertible preferred terms. A discussion ensued regarding the risks and benefits.

Upon a motion made by Mr. Mendelson, seconded by Mr. Grogan, the Advisory Committee members voted unanimously in favor of recommending to the Eli Whitney Investment Committee an investment of up to \$500,000 for the purpose of product development, collaborative studies, IP development and working capital in IsoPlexis, Inc., Branford, CT.

4. Follow-on Investment Proposals:

“Axerion Therapeutics, Inc. – Branford, CT”

Ms. Mu asked the Eli Whitney Advisory Committee to enter into executive session to discuss Axerion Therapeutics, Inc.

Upon a motion made by Mr. Werle and seconded by Mr. Mendelson the Advisory Committee members voted unanimously in favor of going into executive session at 2:31 p.m. to discuss financial and/or commercial information and/or trade secrets, regarding Axerion Therapeutics, Inc.

The executive session ended at 2:35 p.m., and the regular meeting was immediately reconvened.

Upon a motion made by Mr. Werle, seconded by Mr. Grogan, the Advisory Committee members voted unanimously in favor of recommending to the Eli Whitney Investment Committee an investment of up to \$591.50 associated with the new shares issued as a result of the re-capitalization of Axerion prior to a potential Series A round of financing; and, to extend the maturity date of CI’s \$1M of convertible notes to June 30, 2015, to allow for a potential Series A round without immediate repayment of the notes for Axerion Therapeutics, Inc., Branford, CT.

“Continuity Control, Inc. – New Haven, CT”

Mr. Longo and Mr. Douglas Roth discussed Continuity Control, Inc. which was founded by Andy Greenawalt in 2008. The company provides regulatory compliance management to community banks and credit unions through a services-as-a-software platform.

Upon a motion made by Mr. Mendelson and seconded by Mr. Grogan the Advisory Committee members voted unanimously in favor of going into executive session at 2:43 p.m. to discuss financial and/or commercial information and/or trade secrets, regarding Continuity Control, Inc.

The executive session ended at 2:48 p.m., and the regular meeting was immediately reconvened.

**Upon a motion made by Mr. Werle, seconded by Mr. Mendelson, the Advisory Committee members voted unanimously in favor of recommending to the Eli Whitney Investment Committee an investment of up to \$750,000 for the purpose of sales, marketing and operating capital for Continuity Control, Inc., New Haven, CT.**

**“Intelligent Clearing Network, Inc. – New Canaan, CT”**

Mr. Crowley presented on Intelligent Clearing Network, Inc. an innovative software-as-a-service company that electronically validates and clears paper and digital coupons and other incentives in real time at the point of service. He then went on to discuss Connecticut Innovations’ investment history, the nature of the business, the company update and the deal terms.

**Upon a motion made by Mr. Werle and seconded by Mr. Grogan the Advisory Committee members voted unanimously in favor of going into executive session at 2:55 p.m. to discuss financial and/or commercial information and/or trade secrets, regarding Intelligent Clearing Network, Inc.**

The executive session ended at 2:57 p.m., and the regular meeting was immediately reconvened.

A discussion ensued regarding the balance of the second closing.

**Upon a motion made by Mr. Mendelson, seconded by Mr. Werle, the Advisory Committee members voted unanimously in favor of recommending to the Eli Whitney Investment Committee an investment of up to \$60,000 for the purpose of funding implementation of contracted business, bridging to the remainder of the Series C round, and working capital for Intelligent Clearing Network, Inc., New Canaan, CT.**

**5. Preseed:**

**“Carebooker – Norwalk, CT”**

Mr. Crowley presented Carebooker which has developed a platform for booking and paying for all types of family care services, such as babysitting, pet care, tutoring and lessons, housekeeping, personal fitness, and senior care. He stated that they are requesting \$33,000 in additional pre-seed funding, for a total of \$150,000 in pre-seed funding. This request was required to allow for exceeding the \$150,000 internal approval threshold because of funding from other CI programs that took place prior to completing pre-seed funding.

**Upon a motion made by Mr. Mendelson, seconded by Mr. Werle, the Advisory Committee members voted unanimously in favor of recommending to the Eli Whitney Investment Committee an investment of up to \$33,000 in pre-seed dollars in order to make key hires and for legal, marketing, technology infrastructure, and operating expenses for Carebooker, Norwalk, CT.**

**“Internal Committee Approvals and Maturity Date Extensions”**

Mr. Crowley discussed the Pre-Seed and TechStart Internal Approvals and Maturity Date Extensions. He explained that on January 10, 2013, Connecticut Innovations received authority to grant 12-18 month maturity date extensions for all Pre-Seed and TechStart companies' loan documents which amended the December 22, 2011 Pre-Seed/Tech Start process resolution. On August 1, 2013, Connecticut Innovations was given legislated authority to internally approve any investments of up to \$150,000 in any one Company. In May 2014, the Eli Whitney Investment Committee approved a change to the process for such approvals to allow the establishment of an internal Pre-Seed Committee to make all approvals up to the \$150,000 threshold.

A discussion ensued to explain the need for approval of further extensions by the team when the team decides it is in the best interest of the investment.

Mr. Crowley indicated that the team will report, on a quarterly basis, all the Pre-Seed companies above \$150,000 in investment that are projected to need extensions for the following quarter. Ms. Leonardi stated that CI would take a look at the process and determine if any changes need to be made both internally or legislatively to clarify the processes for approvals.

Mr. Wisniewski presented the internal approvals since August 1, 2013 as follows: Glygenics, Cashpath, Yingo Yango, Tangen Biosciences, Tru Optik, IQCopay/InBoxHealth, Evolux, and Care It Forward. Mr. Wisniewski presented the potential extensions, defaults, conversions or re-negotiations as follows: Domanicom, Alphachromics, Allostem Therapeutics, My Luck Club (TS), Exerscrip (TS), Snippet (TS), TS = Tech Start Loans.

**Upon a motion made by Mr. Werle, seconded by Mr. Mendelson, the Advisory Committee members voted unanimously in favor of recommending to the Eli Whitney Investment Committee that the Pre-Seed and TechStart loans in the attached Memorandum in Chart 2 may be extended, defaulted, converted, or renegotiated with approval from the internal Pre-Seed Committee.**

6. **Other Business:**

Public Company Authorizations:

**“Achillion Pharmaceuticals, Inc. - New Haven, CT”**

Mr. Wurzer discussed Achillion Pharmaceuticals, a leading-edge pharmaceutical company advancing multiple candidates with proven mechanisms for the treatment of the Hepatitis C Virus. He requested that the Eli Whitney Investment Committee grant Connecticut Innovations the right to sell all remaining shares of stock as deemed appropriate by the Chief Investment Officer and/or Chief Executive Officer of Connecticut Innovations.

**Upon a motion made by Mr. Mendelson, seconded by Mr. Werle, the Advisory Committee members voted unanimously in favor of recommending to the Eli Whitney Investment Committee that stock sale is approved for Achillion Pharmaceuticals shares in an amount of up to 233,336 shares for the purpose of liquidating its equity position.**

**“PowerSecure International, Inc. – Wake Forest, NC”**

Mr. Wurzer discussed PowerSecure International, Inc. which had acquired a CI portfolio company, Solais Lighting, Inc., on April 15, 2013, for cash and stock. He requested that the Eli Whitney Investment Committee grant Connecticut Innovations the right to sell the remaining shares of stock as deemed appropriate by the Chief Investment Officer and/or Chief Executive Officer of Connecticut Innovations.

**Upon a motion made by Mr. Mendelson, seconded by Mr. Werle, the Advisory Committee members voted unanimously in favor of recommending to the Eli Whitney Investment Committee that the stock sale is approved for PowerSecure International, Inc. shares in an amount of up to 4,107 shares for the purposes of liquidating its equity position.**

7. **Next Meeting:** August 7, 2014, at 2:00 p.m.

8. **Adjournment:** Upon a motion made by Mr. Jensen, seconded by Mr. Grogan, the Advisory Committee members voted to adjourn the July 10, 2014 meeting at 3:25 p.m.

Respectfully submitted,



---

Rafael Santiago  
Chairperson of the Eli Whitney Advisory  
Committee