

ELI WHITNEY ADVISORY COMMITTEE
of Connecticut Innovations, Incorporated
Minutes – Regular Meeting
Thursday, November 7, 2013

A regular meeting of the **Eli Whitney Advisory Committee of Connecticut Innovations, Incorporated** (the “Advisory Committee”) was held on November 7, 2013, 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: J. Kevin Grogan (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: Gail Coppage.

Observers participating: Alex Pencu.

Staff attending: Dave Audibert, Heidi Bieber, Margaret Cartiera, Kevin Crowley, Stepheni Harpin, Pamela Hartley, Claire Leonardi, Peter Longo, Shelly Mondo, Lillian Mu, Ted Murphy, Ralph Neclerio, Patrick O’Neill, Chris Penner, Julie Rader, Matthew Storeygard, Gwendowlyn Thames, Daniel Wagner, and Dave Wurzer.

2. **Approval of Minutes:**

Mr. Santiago asked the Advisory Committee members to consider the minutes from the October 3, 2013 and October 21, 2013 meetings.

Upon a motion made by Mr. Jansen, seconded by Mr. Grogan, the Advisory Committee members voted in favor of adopting the minutes from the October 3, 2013 and October 21, 2013 meetings as presented (Mr. Mendelson was not present for the vote).

3. **Follow-On Investment Proposals:**

“Continuity Control, New Haven, CT”

Mr. Audibert reviewed the request for approval from CI to provide a follow-on investment of up to \$500,000 for Continuity Control, New Haven. He discussed the proposed terms and conditions of the investment and CI’s investment history in the company. Mr. Audibert provided an overview of the company, noting that Continuity Control was founded in 2008. The company provides regulatory compliance management to community banks and credit unions through a services-as-a-software platform. Mr. Audibert spoke about the value proposition of the company and discussed how the platform significantly reduces overhead for its customers in the compliance area. Mr. Audibert reviewed the background of the management team.

Upon a motion made by Mr. Jansen, seconded by Mr. Grogan, the Advisory Committee members voted unanimously in favor of going into executive session at 2:06 p.m. to discuss financial and/or commercial information and/or trade secrets regarding Continuity Control, New Haven, CT.

The executive session ended at 2:11 p.m., and the regular meeting was immediately reconvened.

Upon a motion made by Mr. Jansen, 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 \$500,000, for Continuity Control, New Haven, CT (Mr. Mendelson was not present for the vote).

“RemoteReality Corporation, Putnam, CT”

Mr. Wagner and Mr. O’Neill reviewed the proposed follow-on investment of up to \$1,000,000 for RemoteReality Corporation, Putnam CT in two tranches of up to \$500,000 each. Mr. Wagner discussed CI’s investment history in the company, noting that the company relocated to Connecticut. He stated that the company has created an ultra-wide angle/360 degree optic solution that delivers real time panoramic video. Mr. Wagner and Mr. O’Neill discussed the products developed by the company. Mr. Wagner explained some of the progress made by the company since CI’s original investment and highlighted some of the funding leveraged with CI’s investment.

Upon a motion made by Mr. Jansen, seconded by Mr. Grogan, the Advisory Committee members voted unanimously in favor of going into executive session at 2:19 p.m. to discuss financial and/or commercial information and/or trade secrets regarding RemoteReality Corporation, Putnam, CT.

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

Mr. Wagner discussed the risks and benefits of the follow-on investment. He reviewed the proposed terms and conditions of the investment. Mr. Wagner explained that CI will convert its \$150,000 CT-SBI note plus accrued and unpaid interest into the new note on the same terms as the new capital.

Upon a motion made by Mr. Jansen, 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 \$1,000,000 in two tranches (up to \$500,000 each)

in RemoteReality, Corporate, and the conversion of the \$150,000 SBI note into the new note.

“Soft Tissue Regeneration, Inc., New Haven, CT”

Mr. Wagner reviewed CI’s investment history in Soft Tissue Regeneration, Inc., (“STR”). He noted that the company has relocated from Virginia to Connecticut. STR has developed a biocompatible and bioresorbable synthetic scaffold. He discussed the progress the company has made since CI’s initial investment, including animal studies and clinical approvals. Mr. Wagner reviewed the background of the management team. He noted that the funds will be used to continue to support clinical trials, continue and complete long-term large animal studies and improve manufacturing processes. In response to a question, Mr. Wagner stated that the round is being funded by current investors.

Upon a motion made by Mr. Jansen, 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 \$1,283,833 in Soft Tissue Regeneration, Inc., New Haven, CT.

“Skystream Markets, Inc., Stamford, CT”

Mr. O’Neill reviewed the request for follow-on funding of up to \$500,000 for Skystream Markets, Inc., Stamford. He discussed the proposed terms and conditions of the investment. Mr. O’Neill reviewed the progress the company has made since CI’s last investment. The funding will be used to continue product development, explore new revenue opportunities, commercialization of data and research and drive to sustainable operations.

Upon a motion made by Mr. Jansen, seconded by Mr. Shannon, the Advisory Committee members voted unanimously in favor of going into executive session at 2:56 p.m. to discuss financial and/or commercial information and/or trade secrets regarding Skystream Markets, Inc., Stamford, CT.

The executive session ended at 3:06 p.m., and the special meeting was immediately reconvened.

Upon a motion made by Mr. Jansen, 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 \$500,000 for Skystream Markets, Inc., Stamford.

Mr. Mendelson left the meeting at this time.

“EMME E2MS, LLC, Bristol, CT”

Mr. Wurzer reviewed CI’s investment history in EMME E2MS, LLC, Bristol, CT. He noted that the company relocated from Portland, Oregon in 2012. He mentioned that EMME has requested a follow-on investment of up to \$600,000 from CI, with matching funds of up to \$600,000. The company was a spin out from Home Comfort Zones and has developed products to address chronic HVAC problems and focus on comfort and energy savings for light commercial buildings and high-end residential dwellings.

Upon a motion made by Mr. Jansen, seconded by Mr. Grogan, the Advisory Committee members voted in favor of going into executive session at 3:07 p.m. to discuss financial and/or commercial information and/or trade secrets regarding EMME, Bristol, CT (Mr. Mendelson was not present for the vote).

The executive session ended at 3:15 p.m., and the regular meeting was immediately reconvened.

Mr. Wurzer provided an update on the progress since CI’s initial investment. He reviewed the proposed terms and conditions of the follow-on investment.

Upon a motion made by Mr. Jansen, seconded by Mr. Grogan, the Advisory Committee members voted in favor of recommending to the Eli Whitney Investment Committee an investment of up to \$600,000, in EMME E2MS, LLC, Bristol, CT (Mr. Mendelson was not present for the vote).

“iDevices, LLC, Avon, CT”

Mr. Penner discussed the proposed follow-on investment of up to \$1,500,000 in iDevices, LLC, Avon. He reviewed the products and services offered by iDevices.

Upon a motion made by Mr. Jansen, seconded by Mr. Grogan, the Advisory Committee members voted in favor of going into executive session at 3:22 p.m. to discuss financial and/or commercial information and/or trade secrets regarding iDevices, LLC, Avon, CT (Mr. Mendelson was not present for the vote).

The executive session ended at 3:26 p.m., and the regular meeting was immediately reconvened.

Mr. Penner noted that iDevices received preseed funding from CI and noted that the company has now grown to about 30 employees. He reviewed the background of the management team. Mr. Penner discussed the proposed terms and conditions of the follow-on investment.

Upon a motion made by Mr. Jansen, seconded by Mr. Grogan, the Advisory Committee members voted in favor of recommending to the Eli Whitney Investment Committee an investment of up to \$1,500,000, in iDevices, LLC, Avon, CT (Mr. Mendelson was not present for the vote).

4. Other Business:

There was no other business to discuss.

5. Next Meeting: December 5, 2013, at 2:00 p.m.

6. Adjournment: Upon a motion made by Mr. Jansen, seconded by Mr. Grogan, the Advisory Committee members voted to adjourn the November 7, 2013 meeting at 3:28 p.m.

Respectfully submitted,

Rafael Santiago
Chairperson of the Eli Whitney Advisory
Committee