

**VALUATION COMMITTEE**  
of Connecticut Innovations, Incorporated  
Minutes – Regular Meeting  
Wednesday, June 19, 2013

A regular meeting of the **Valuation Committee of Connecticut Innovations, Incorporated** (the “Committee”) was held on June 19, 2013, at the office of Connecticut Innovations, Inc., 865 Brook Street, Rocky Hill, CT.

**1. Call to Order:** Katherine Vick, Chairperson of the Committee, called the meeting to order at 9:00 a.m. Present: James Jordan (by phone), Frank Morse, Patrick Murphy, and Katherine Vick.

Absent: Raghav Nandagopal

Staff Attending: David Audibert, George Bellas, Margaret Cartiera, Gayle Cvengros, Kevin Crowley, Stepheni Harpin; Peter Longo, Shelly Mondo, Lillian Mu, Pauline Murphy, Patrick O’Neill, Christopher Penner, Doug Roth, Phil Siuta, Matthew Storeygard, Russell Tweeddale, Daniel Wagner, Michael Wisniewski and David Wurzer.

Others Attending: John Schuyler and William Sawicki of Marcum LLP.

**2. Approval of Minutes:**

Ms. Vick asked the Committee members to consider the minutes of the May 15, 2013 and April 29, 2013 meetings.

**Upon a motion made by Mr. Morse, seconded by Mr. Murphy, the Committee members voted unanimously in favor of accepting the minutes of the May 15, 2013 and April 29, 2013 meetings as presented.**

**3. Review of FY2013 CI Investment Portfolio Valuations:**

Mr. Bellas stated that CI staff has not yet reviewed the CEFIA investment in Acumentrics Corporation. He indicated that staff will make a recommendation on the valuation of the CEFIA investment at a follow-up meeting to be scheduled for mid-July.

There was general consensus to start discussions on the investments with recommended changes to the valuations and then to the valuations with no recommended changes.

The CI investment managers presented and discussed the proposed valuations of the CI portfolio companies with proposed reserve adjustments for each of the following companies:

Advent Technologies, Inc.; Cara Therapeutics, Inc.; CyVek, Inc.; deets, Inc.; EMME E2MS, LLC; Environmental Energy Services, Inc.; eTouches, Inc. a/k/a Global Executive Business Services Inc.; Intelligent Clearing Networks (ICN); Live Clips; Oil Purification Systems; Post-n-Track Corporation; SAMI Health f/k/a MyCare; Schoolchapters (Chapter97 LLC); Skystream Markets; Soft Tissue Regeneration, LLC; Sustainable Real Estate Solutions, Inc.; Synbody Biotechnology, Inc.; Thetis Pharmaceuticals; and Zadspace, Inc.

Noting a potential conflict of interest, Mr. Morse abstained from the discussion and vote on EMME E2MS, LLC, Thetis Pharmaceuticals, and Zadspace.

The CI staff presented and discussed the valuations for the following companies with no reserve adjustments proposed: Affinimark Technologies, Inc.; Axerion Therapeutics, Inc.; CiDra Holdings, LLC; CMD Bioscience; Continuity Control, Inc.; epiEP, Inc.; Innovatient Solutions, Inc.; Local Yokel Media, LLC; New Haven Pharmaceuticals, LLC; NorthPage, Inc.; NovaTract Surgical, LLC; P2 Science, Inc.; RemoteReality Corporation; Silversky f/k/a Perimeter Internetworking; Smartequip; Xlerant, Inc; and ZetrOZ, LLC.

Noting potential conflicts of interest, Mr. Morse abstained from the discussion and vote on Xlerant.

After discussing the proposed valuations, the following recommendations were made:

- CyVek—the typographical error on page 2 will be changed to reflect the correct date of June 30, 2013 rather than 2012.
- Live Clips—due to a recent event, staff will present the revised valuation during a follow-up meeting.
- Soft Tissue Regeneration, LLC—keep the reserve as presented rather than the modification discussed.
- Synbody Biotechnology, Inc.—reserve could change if there is a subsequent event in the near future (discuss at follow-up meeting).
- Zadspace, Inc.—a subsequent event could change the valuation (discuss at follow-up meeting).
- Affinimark Technologies, Inc.—staff will report back on possible proposed valuation changes due to an anticipated subsequent event.
- epiEP, Inc.—revise the write-up and company valuation to reflect a potential additional investment in the company in June.
- Innovatient Solutions, Inc.—change the write-up to clearly reflect the proposed valuation..
- ZetrOz, LLC—correct the summary write-up to clearly reflect the proposed valuation..

Staff discussed the investments made after April 1, the other investments, venture/mezzanine debt, Preseed/Techstart companies, public securities and bio facilities. The following additional recommendations were made:

- Engage 121 under “Other Investments”—prepare a detailed write up on the proposed valuation of the company at the follow-up meeting.
- Power Secure International under “Public Security Investment”—adjust to reflect any sales through June 30<sup>th</sup>..

The Committee members agreed with the proposed valuations for the CI companies. Staff will report back on the companies with subsequent events and other issues that need further discussion. A special meeting will be scheduled for mid-July.

The Committee members commended staff for the great job with valuing the companies. Ms. Leonardi thanked the Valuation Committee members for their time and efforts.

**4. Adjournment:** Upon a motion duly made and seconded, the Committee members voted to adjourn the June 19, 2013 meeting at 11:02 a.m.

Respectfully submitted,

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Katherine Vick  
Chairperson of the Valuation Committee