

**VALUATION COMMITTEE**  
of Connecticut Innovations, Incorporated  
Minutes – Regular Meeting  
Friday, September 11, 2015

A regular meeting of the **Valuation Committee of Connecticut Innovations, Incorporated** (the "Committee") was held on September 11, 2015, 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 (by phone), Patrick Murphy, William Quish and Katherine Vick.

Staff Attending: Matt Bloom, Kevin Crowley, Stepheni Harpin, Peter Longo, Heidi Marshall, Matt McCooe, Lillian Mu, Pauline Murphy, Ted Murphy, Patrick O'Neill, Jamie Rinaldi, Doug Roth, Hil Scott, Matt Storeygard, Russ Tweeddale, Dan Wagner, Carrie White, Mike Wisniewski, David Wurzer, and Mark Zhu.

Others Present: Michael Brooder, William Sawicki, and Edward Schreiner, Marcum LLP.

2. **Approval of Minutes:**

Ms. Vick asked the Committee members to consider the minutes from the June 3, 2015 meeting.

**Upon a motion made by Mr. Morse, and seconded by Mr. Murphy, the Committee members voted in favor of accepting the minutes from the June 3, 2015 meeting as presented.**

3. **Review of the June 30, 2015 CI Ventures Valuation:**

Mr. Wurzer briefly discussed the CI Ventures' activity and valuation results for FY 2015, the valuation process that was followed, the suggested prioritized approach to the September 11, 2015 meeting agenda, and an analysis of our preliminary valuation. Ms. Vick and Mr. Murphy commented that they liked the format of the memo and the electronic mailing on the CT IHUB.

*Noting a potential conflict of interest, Mr. Morse recused himself from any discussion on Engage 121 and Thetis Pharmaceuticals, LLC.*

**Require Valuation Committee Discussion:**

- **Affinimark Technologies, Inc.** – Follow-up with additional information, as available
- **Arvinas, LLC** – Follow-up with additional information, as available
- **eBrevia, Inc.** – No change to valuation as presented
- **Engage121** - No change to valuation as presented
- **Environmental Energy Services, Inc.** - No change to valuation as presented

- **EpiEp, Inc.** - No change to valuation as presented
- **etouches, Inc.** - No change to valuation as presented
- **New Haven Pharmaceuticals, Inc.** - No change to valuation as presented
- **NorthPage, Inc.** - No change to valuation as presented
- **Precipio Diagnostics, LLC** – Changed to 75% per recommendation of Valuation Committee – Follow-up with additional information, as available
- **Umbie Health Corporation** - No change to valuation as presented
- **ZetrOz, Inc.** – Follow-up with additional information, as available

#### **Valuation Following Policy - Adjustments Proposed:**

- **Avitus Orthopaedics, Inc.** - No change to valuation as presented
- **Axerion Therapeutics, Inc.** - No change to valuation as presented
- **Becaid a/k/a C8 Sciences** - No change to valuation as presented
- **BioArray Therapeutics** - No change to valuation as presented
- **CMD Bioscience, Inc.** - No change to valuation as presented
- **Innovatient Solutions, Inc.** - No change to valuation as presented
- **Intelligent Clearing Network (ICN)** - No change to valuation as presented
- **Logicbroker, Inc.** - No change to valuation as presented
- **NovaTract Surgical, Inc.** - No change to valuation as presented
- **Oil Purification Systems** - No change to valuation as presented
- **P2 Sciences** - No change to valuation as presented
- **RemoteReality Corporation** - No change to valuation as presented
- **SmartEquip, Inc.** - No change to valuation as presented
- **SmartPay Solutions, LLC** - No change to valuation as presented

#### **>\$2.0M Investment Valuations Not Included Above:**

- **Axiomx, Inc.** - No change to valuation as presented
- **Continuity Control** - No change to valuation as presented
- **iDevices, LLC** - No change to valuation as presented
- **Soft Tissue Regeneration, Inc.** - No change to valuation as presented

#### **Valuations Following Policy - No Adjustments Proposed:**

- **CiDra Holdings, LLC** - No change to valuation as presented
- **Device42, Inc.** - No change to valuation as presented
- **IsoPlexis** - No change to valuation as presented
- **Payveris, LLC** - No change to valuation as presented
- **Queralt, Inc.** - No change to valuation as presented
- **SeeClickFix** - No change to valuation as presented
- **Sustainable Real Estate Solutions** - No change to valuation as presented

- **Thetis Pharmaceuticals, LLC** - No change to valuation as presented
- **Xlerant, Inc.** - No change to valuation as presented

For the CI Ventures' actively managed portfolio, the Valuation Committee discussed in detail: 1) Portfolio companies that were identified as requiring Committee discussion; and, 2) Valuations following the CI valuation policy, with adjustments proposed at June 30, 2015. The Committee also was invited to ask questions and open discussion on all other portfolio company valuations. Overall, the Committee discussed in detail 26 of the 39 actively managed company valuations, or 67%, which were valued at \$38 million, or 48% of the total portfolio valuation at June 30, 2015.

#### 4. **CBIF Investments:**

Dr. Cartiera gave a brief overview of the background and mission of the Connecticut Bioscience Innovation Fund (CBIF).

- **Carogen Corporation** - No change to valuation as presented
- **Dura, LLC (Dura Biotech)** - No change to valuation as presented
- **Loon Medical, Inc. (CareSentinel)** - No change to valuation as presented
- **Tangen Biosciences, Inc.** - No change to valuation as presented

#### 5. **Other:**

Mr. Crowley gave a brief overview of the background and history of the BioFacilities Fund Investments. A question and answer discussion ensued.

- **BioFacilities Fund Investments** - No change to valuation as presented

The CI Ventures' staff also answered questions on the following:

- **Other Investments** - No change to valuation as presented
- **PreSeed/TechStart Investments** - No change to valuation as presented
- **Public Investments** - No change to valuation as presented
- **Venture Mezzanine Debt Investments** - No change to valuation as presented
- **Acumentrics – Connecticut Green Bank** - No change to valuation as presented

#### 6. **Other Business:**

- Mr. Wurzer briefly discussed the CT Husky Fund which will provide capital to the most promising UConn companies to enable the development of their business concepts to attract pre-seed, seed, or other third party capital. He explained that the fund will identify, help develop and establish innovative student-led ventures

with compelling business propositions. A memo regarding the Husky Fund will be presented at the upcoming CI Board of Directors meeting.

- Mr. Wurzer also mentioned that the financial statements and audit will be completed by October 31, 2015.
- Ms. Vick and Mr. Murphy were very pleased with the electronic Valuation mailing utilizing the CT IHUB.
- A question was asked about the materials from the previous Valuation retreat. The possibility of having a retreat again this year was discussed and recommended as the Valuation Committee members found it extremely helpful.

7. **Next Meeting:** April 25, 2016, at 9:00 a.m.

8. **Adjournment:** Upon a motion made by Mr. Murphy, and seconded by Mr. Quish, the Valuation Committee members voted to adjourn the September 11, 2015 meeting at 11:08 p.m.

Respectfully submitted,



---

Katherine Vick  
Chairperson of the Valuation Committee