

**VALUATION COMMITTEE**  
of Connecticut Innovations, Incorporated  
Minutes – Regular Meeting  
Friday, September 9, 2016

A regular meeting of the **Valuation Committee of Connecticut Innovations, Incorporated** (the “Committee”) was held on September 9, 2016, 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 9:01 a.m. Present: James Jordan (by phone), Frank Morse (by phone), Patrick Murphy, William Quish (by phone) and Katherine Vick.

Staff Attending: Matthew Bloom, Kevin Crowley, Ariel Drew, Stepheni Harpin, Peter Longo, Heidi Marshall, Lillian Mu, Pauline Murphy, Ted Murphy, Patrick O’Neill, Jamie Rinaldi, Douglas Roth, Hil Scott, Matthew Storeygard, Daniel Wagner, Carrie White, Michael Wisniewski, and David Wurzer.

**Others Present:** Edward S. Jason, Jr., Mario Solari, and Lindsay Tessler, Whittlesey & Hadley, P.C.

2. **Approval of Minutes:**

Ms. Vick asked the Committee members to consider the minutes from the April 25, 2016 meeting.

**Upon a motion made by Mr. Murphy, and seconded by Mr. Morse, the Committee members voted in favor of accepting the minutes from the April 25, 2016 meeting as presented.**

3. **Review of the June 30, 2016 CI Ventures’ Valuation:**

Mr. Wurzer briefly discussed the CI Ventures’ activity and valuation results for FY 2016 and the valuation process that was followed.

**Require Valuation Committee Discussion:**

- **New Haven Pharmaceuticals** – No change to valuation as presented
- **Soft Tissue Regeneration, Inc.** – No change to valuation as presented

**Valuation Following Policy - Adjustments Proposed:**

*Noting a potential conflict of interest, Mr. Murphy recused himself from any discussion on ActualMeds Corporation.*

*Noting a potential conflict of interest, Mr. Morse recused himself from any discussion on Engage121, Inc.*

- **ActualMeds Corporation** – No change to valuation as presented
- **Arccos Golf, LLC** – No change to valuation as presented
- **Arvinas, LLC** – No change to valuation as presented
- **Avitus Orthopaedics, Inc.** – No change to valuation as presented
- **Axerion Therapeutics, Inc.** – No change to valuation as presented
- **BeCaid, LLC, d/b/a C8 Sciences** – No change to valuation as presented
- **BIOARRAY Therapeutics, Inc.** – No change to valuation as presented
- **CiDRA Holdings, LLC** – No change to valuation as presented
- **CMD Bioscience** – No change to valuation as presented
- **eBrevia, Inc.** – Follow-up with additional information, as available
- **Engage121, Inc.** – No change to valuation as presented
- **EpiEP, Inc.** – No change to valuation as presented
- **IsoPlexis, Inc.** – No change to valuation as presented
- **Logicbroker, Inc.** – No change to valuation as presented
- **P2 Science, Inc.** – Follow-up with additional information, as of the end of September
- **Precipio Diagnostics, LLC** – No change to valuation as presented
- **Queralt, Inc.** – No change to valuation as presented
- **ReadyDock, Inc.** – No change to valuation as presented
- **SmartEquip, Inc.** – No change to valuation as presented
- **Sustainable Real Estate Solutions, Inc.** – No change to valuation as presented
- **Tangen Biosciences LLC** – No change to valuation as presented
- **Tru Optik Data Corp** – Follow-up at next Committee meeting (end of September or early October) and discuss bringing reserve from 75% to 100%
- **Umbie Health Corporation** – Follow-up with additional information, as of the end of September
- **XLerant, Inc.** – No change to valuation as presented

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

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

- **CiDRA Holdings, LLC** – No change to valuation as presented
- **Continuity Control, Inc.** – No change to valuation as presented
- **Environmental Energy Services, Inc.** – No change to valuation as presented
- **eTouches** – No change to valuation as presented
- **iDevices, LLC** – No change to valuation as presented
- **NorthPage, Inc.** – No change to valuation as presented
- **RTI Studios f/k/a Remote Reality** – No change to valuation as presented

- **Thetis Pharmaceuticals LLC** – 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 the April 25, 2016 meeting. The Committee also was invited to ask questions and open discussion on all other portfolio company valuations.

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

- **Aeromics, LLC** – No change to valuation as presented
- **Affinmark Technologies, Inc.** – No change to valuation as presented
- **Device42 LLC** – No change to valuation as presented
- **Diameter Health** – No change to valuation as presented
- **Intelligent Clearing Network, Inc.** – No change to valuation as presented
- **Oil Purification Systems, Inc.** – No change to valuation as presented
- **PayVeris LLC** – No change to valuation as presented
- **Rapid Oxygen** – No change to valuation as presented
- **Sec BI, Ltd.** – No change to valuation as presented
- **SeeClickFix** – No change to valuation as presented
- **Sirona Medical** – No change to valuation as presented

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

Mr. Wurzer gave a brief overview of the background and history of the Connecticut Bioscience Innovation Fund (CBIF). A question and answer discussion ensued.

##### **CBIF Investments – Following Policy – Adjustments Proposed:**

- **Dura, LLC (Dura Biotech)** – No change to valuation as presented
- **Loon Medical, Inc.** – No change to valuation as presented
- **MIFCOR** – No change to valuation as presented
- **My Gene Counsel** – No change to valuation as presented
- **Smpl Bio, LLC** – No change to valuation as presented
- **Tangen Biosciences LLC** – No change to valuation as presented

##### **CBIF Investments – Following Policy – No Adjustments Proposed:**

- **CaroGen Corporation** – No change to valuation as presented
- **CavtheRx** – No change to valuation as presented
- **Shoreline Biome, LLC** – No change to valuation as presented

**5. Other:**

Mr. Wurzer, Mr. Crowley and Ms. Murphy 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
- **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
- **Acumentrics – Connecticut Green Bank** – No change to valuation as presented.

**6. Other Business:**

- Mr. Wurzer mentioned that the financial statements and audit would be completed by September 30, 2016.
- Mr. Wurzer stated that we would like to schedule a special follow-up meeting with the Committee in late September or early October. Ms. Marshall will contact committee members to solidify the meeting date. Mr. Murphy volunteered to chair the meeting as Ms. Vick will be unable to attend.
- Ms. Vick asked the staff to consider future portfolio-wide risk assessments, utilizing the results of the valuation work provided, to evaluate portfolio industry concentration risk and recent industry trends when supporting future new and follow-on investment proposals. Discussion followed, with general agreement from the Committee and staff.

**7. Next Meeting:** To be scheduled end of September or beginning of October.

**8. Adjournment:** Upon a motion made by Mr. Morse, and seconded by Mr. Murphy, the Valuation Committee members voted to adjourn the September 9, 2016 meeting at 11:07 a.m.

Respectfully submitted,



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Katherine Vick  
Chairperson of the Valuation Committee