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BOARD OF DIRECTORS of Connecticut Innovations, Incorporated Minutes – Regular Meeting Tuesday, April 2, 2019

A regular meeting of the **Board of Directors of Connecticut Innovations, Incorporated** (the “Board”), was held on April 2, 2019, at the offices of Connecticut Innovations, Inc., 865 Brook Street, Rocky Hill, CT 06067.

1. Call to Order

Noting the presence of a quorum, Mr. Cantor, Chairperson of the Board, called the regular meeting to order at 10:04 a.m. Participating: Mostafa Analoui; Christopher Bandecchi (by phone); Ben Barnes, Connecticut State & Community Colleges; Michael Cantor; Jessica Cabanillas, Office of Policy and Management; Mark Evans, Office of the Treasurer; Valarie Gelb; Richard Mulready; John Olsen (by phone); Paul Pescatello; Rafael Santiago.

Absent: David Lehman, John Pavia, Alexander Pencu.

Staff attending: Lauren Carmody, Leslie Larson, Alison Malloy, Matt McCooe, Phil Siuta, Dave Wurzer.

Other guests: Scott Murphy

2. Approval of Minutes

Mr. Cantor asked the members of the Board to consider the minutes from the February 5, 2019, meeting.

Upon a motion made by Mr. Mulready, and seconded by Ms. Gelb, the Board members voted unanimously in favor of adopting the minutes from the February 5, 2019, meeting, as presented. (Mr. Barnes and Mr. Santiago abstained from the vote.)

3. Chairman’s Remarks

Mr. Cantor shared his optimism toward a seamless transition by CI with the new administration.

4. Selection of Auditors and Legal Firms

a) Auditors for the Three Fiscal Years Ending June 30, 2021

Mr. Siuta stated that legislation requires all quasi-public agencies to solicit bids for auditors every three years and change auditors every six years. CI staff issued an RFP, and the Audit Committee has recommended to the Board to approve Whittlesey & Hadley to perform the audit for CI for the next three fiscal years ending June 30, 2019, 2020 and 2021.

Upon a motion by Mr. Mulready, seconded by Mr. Santiago, Connecticut Innovations (CI) at a duly called meeting held on April 2, 2019, a quorum being present, unanimously voted in favor of appointing Whittlesey and Hadley to perform the Audit of CT Innovations for the three fiscal years ending June 30, 2019, 2020 and 2021.

b) Legal Counsel for the Period from July 1, 2019, to June 30, 2022

Mr. Siuta stated that legislation requires all quasi-public agencies to solicit bids for legal services every three years. CI staff issued an RFP, and the Audit Committee has recommended the Board approve the firms noted below.

Upon a motion by Mr. Evans, seconded by Ms. Gelb, Connecticut Innovations (CI) at a duly called meeting held on April 2, 2019, a quorum being present, unanimously voted in favor of retaining the following firms to serve as legal counsel to CI as needed for the three-year period ending June 30, 2022.

Shipman & Goodwin, Hartford
Carmody & Torrance, Waterbury
Updike, Kelly & Spellacy, Hartford
Harris Beach, New Haven
Pullman & Comley, Bridgeport
McCarter & English, Hartford
Wiggin & Dana, New Haven
Jacobs Walk Rice & Barry, Manchester

5. Office Location Discussion & Review of Lease Proposals

Mr. Siuta presented the office relocation background and process for both Hartford and New Haven locations and the office move timeline. Discussion among the Board members ensued.

Upon motion of Mr. Mulready, seconded by Ms. Gelb, the Board of Directors of Connecticut Innovations (CI) at a duly called meeting held April 2, 2019, a quorum being present, voted to authorize Philip Siuta, as Chief Operating Officer and Chief Financial Officer, 1) to terminate the lease at 865 Brook Street, Rocky Hill, CT, effective December 31, 2019, and 2) to execute leases of office space in Hartford of approximately 3,500 square feet and office space in New Haven of approximately 10,000 square feet, in each case occupancy commencing January 1, 2020, for a term up to seven (7) years, such Hartford lease to be with Colt Gateway with a location at 140 Huyschope Avenue, Hartford, CT, and such New Haven lease to be further negotiated and executed with either The District with a location at 470 James Street, New Haven, CT, or the office building located at 195 Church Street, New Haven, CT, all on substantially the terms presented to this meeting with such changes, not material in the aggregate, as may be approved by the Chief Operating Officer and Chief Financial Officer.

6. Fund of Funds Investment Proposals

Ms. Malloy presented a Greenwich, Connecticut-based venture capital firm opportunity, 1843 Capital Ventures LP. She provided a fund overview, requested investment amount, summary of key terms, management team, sector focus and the portfolio performance. The presentation was followed by questions from the Board members, and a discussion ensued.

Upon a motion by Mr. Mulready, seconded by Ms. Gelb, Connecticut Innovations (CI) at a duly called meeting held on April 2, 2019, a quorum being present, unanimously voted in favor of approving the following resolution:

Resolved:

(1) that financing is approved by Connecticut Innovations, Inc. (CI), for 1843 CAPITAL VENTURES LP in an amount of up to ONE MILLION DOLLARS (\$1,000,000); and

(2) that Matthew McCooe, Chief Executive Officer; David Wurzer, Executive Vice President & Chief Investment Officer; Philip Siuta, Senior Vice President, Chief Financial Officer & Chief Operating Officer; or Peter Longo, Senior Managing Director, Investments, each an “Authorized Signatory,” is authorized to execute and deliver for and on behalf of CI such agreements and related documents to cause such investment to be effected, which documents shall (a) be executed by CI no later than September 30, 2019; and (b) contain such terms and conditions as the

Authorized Signatory shall deem to be in the best interests of CI including terms and conditions relating to the matters described in Section 6 of the Regulations, the Authorized Signatory's approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the Agreement; and

(3) that the Authorized Signatories hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above-mentioned Agreement.

Mr. McCooe discussed an Israel- and Connecticut-based venture capital firm opportunity. He shared the requested investment amount, market opportunity, strategy and approach, company performance, valuation and a Connecticut presence snapshot. The presentation was followed by questions from the Committee, and a discussion ensued.

Upon a motion by Ms. Gelb, seconded by Mr. Mulready, Connecticut Innovations (CI) at a duly called meeting held on April 2, 2019, a quorum being present, unanimously voted in favor of approving the following resolution:

Resolved:

(1) that financing is approved by Connecticut Innovations, Inc. (CI), for Disruptive Technologies in an amount of up to TWO MILLION DOLLARS (\$2,000,000); and

(2) that Matthew McCooe, Chief Executive Officer; David Wurzer, Executive Vice President & Chief Investment Officer; Philip Siuta, Senior Vice President, Chief Financial Officer & Chief Operating Officer; or Peter Longo, Senior Managing Director, Investments, each an "Authorized Signatory," is authorized to execute and deliver for and on behalf of CI such agreements and related documents to cause such investment to be effected, which documents shall (a) be executed by CI no later than September 30, 2019; and (b) contain such terms and conditions as the Authorized Signatory shall deem to be in the best interests of CI including terms and conditions relating to the matters described in Section 6 of the Regulations, the Authorized Signatory's approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the Agreement; and

(3) that the Authorized Signatories hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above-mentioned Agreement.

7. Fund of Funds Legislative Proposal

Mr. McCooe and Attorney Murphy discussed a legislative proposal for changes to fund of funds investments by CI in Connecticut. The Board agreed to support pursuing changes to bolster the venture capital industry in Connecticut.

Upon a motion by Mr. Santiago, seconded by Mr. Mulready, Connecticut Innovations (CI) at a duly called meeting held on April 2, 2019, a quorum being present, unanimously voted in favor of pursuing changes in Legislation that will bolster the venture capital industry in Connecticut.

Mr. Pescatello left the meeting.

8. EIR Update and Survey Results

Ms. Carmody presented the EIR survey results, reporting positive feedback in the areas of satisfaction and timeliness. She updated the Board on VentureClash 2019 and discussed the event date (October 17, 2019), the change in venue and the new VentureClash Tel Aviv event scheduled in May 2019.

9. Business Lines and Q3 FY 2019 Operations Updates

Mr. Wurzer presented the Q3 FY2019 active and approved venture investment activity. He indicated that the bioscience investment prospect pipeline continues to be strong and shared the dollars CI has invested over the past five quarters. He showed the expansion of the portfolio and brought to the Board's attention the number of "graduated" pre-seed portfolio companies.

Mr. Siuta reviewed the Q3 FY2019 financial statements, and highlighted the assets under management, variances from actual versus budget for revenues, operating expenses, program expenses and investment activities. He also discussed the projected revenues, expenses and cash flows for full-year FY2019.

10. Other Business

There was no other business.

11. **Adjournment**

Upon a motion made by Mr. Santiago, seconded by Ms. Gelb, the Board voted unanimously in favor of adjourning the April 2, 2019, meeting at 12:02 p.m.

Respectfully submitted,

Michael Cantor
Chairperson of CI

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