

**State of Connecticut Bioscience Innovation Fund (CBIF)
Grant Funding of up to \$500,000**

PRELIMINARY APPLICATION for ACADEMIC & NON-PROFIT ENTITIES

➤ **GENERAL INFORMATION**

CT Innovations, under the guidance of its Advisory Committee, administers and monitors the Connecticut Bioscience Innovation Fund (“CBIF” or “Fund”); reviewing applications, allocating funds, determining appropriate funding instruments, preparing and executing agreements for successful applicants. The Connecticut Bioscience Innovation Fund was established by Sections 70 to 73, inclusive, of Public Act No. 13-239 (the “Act”), which, pursuant to the Act, is held, administered, invested and disbursed by Connecticut Innovations, Incorporated (“CI”), acting as the administrator of the Fund (the “Administrator”).

It is the intent of the Connecticut Bioscience Innovation Fund (CBIF) to fund advancement of bioscience innovation through defined investments that lead to commercial products or services which will impact human health; improve healthcare coordination, quality or efficiency; reduce healthcare costs; and increase job growth. This includes proposals that will improve the delivery of health care services, lower health care costs, and directly or indirectly create high paid, sustainable bioscience jobs in Connecticut. Submitted requests for funding investment must fall in at least one of the following fields: bioscience, biomedical engineering, health information management, medical care, medical devices, medical diagnostics, pharmaceuticals, personalized medicine, and other related disciplines.

This application is for a grant award of up to \$500,000 for a specific bioscience innovation. Applications may be for multi-year projects (maximum of 3 years) and should not exceed \$500,000 requested funding in the aggregate. Submitted requests must demonstrate strong potential for a quantifiable commercial return on investment to the Fund through an appropriate financial instrument (e.g., loan, equity, royalty or other mechanism). CBIF is an “evergreen fund” where investment returns are recycled back into the investment pool to be reinvested into the Fund to continue growth and further finance new opportunities and companies.

Priority will be given to applications showing strong collaboration across disciplines/industries and collaboration between academia and the for-profit sector. Priority will also be given to applications which leverage additional moneys from outside Connecticut Innovations and the Fund.

Eligibility

Nonprofit corporations, accredited colleges and universities, and for-profit start-up or early-stage businesses are eligible to apply and those which fulfill Connecticut presence requirements are eligible for funding. Early stage businesses are considered entities that have been operating for no more than seven (7) years and are developing or testing a product or service that is not yet available for commercial release or available only in a limited manner, including clinical trials that have not begun Phase II evaluation or market testing of prototypes.

NOTE: If discussion has begun regarding licensing of the university technology to a new company (i.e., NewCo), the company may be the appropriate applicant. Please feel free to contact CBIF staff for assistance in determining the appropriate applicant.

Types of Investments

Submitted requests for funding will be considered for one of 3 investment instruments: (1) Royalty-bearing Grants, (2) Secured Convertible Loans, or (3) Equity Investments. Grants are only available to academic institutions and non-profits establishments. Commercial entities are eligible for secured loans or equity investments.

Investment Instrument	Academia & Non-Profit	Commercial Entity
Grant	✓	
Secured Convertible Loan		✓
Equity Investment		✓

1. Royalty-bearing Grants: The Fund will not support basic research. CBIF grants are intended to support late stage development at the mature translation/clinical application stage. We encourage academic faculty and researchers with an entrepreneurial spirit to apply to CBIF, and leverage other appropriate grant funding for which they are currently applying or hold (e.g., NIH R21, NIH R03, select NIH U01, NSF AIR). Innovations must be far enough along in development to demonstrate that CBIF funding would enable a commercial path for the technology or product and likely be the last investment before the technology leaves the academic/non-profit setting before commercialization.

By way of guidance, requested funding for a grant may be up to \$500,000 and may be expended over a maximum of 3 years.

2. Secured Convertible Loans: Loans that entitle CT Innovations to convert the investment to common or preferred stock at a specified conversion rate and within a specified timeframe; these loans typically include a common stock or warrant provision which entitles the note holder to a percentage ownership of the company.

By way of guidance, requested funding for a loan may be up to \$500,000 and must be used in a commercial entity fulfilling CT presence requirements. Standard terms have been defined for this instrument, but are open to negotiation if other investors are participating alongside the CBIF investment.

3. Equity Investments: Funds which CT Innovations invests in a company in exchange for a defined percentage ownership of a business; the investment provides for a set of protective provisions according to a negotiated term sheet/legal documentation.

By way of guidance, requested funding for an equity investment may be up to \$500,000 and must be used in a commercial entity fulfilling CT presence requirements. The specific terms of the equity investment will be dependent on the proposal and the level of risk. The secured convertible loan is the preferred instrument for the fund, however an equity investment would be seriously considered particularly when other investors will be participating alongside the CIBF investment.

Further general information on the Fund can be found on the website: <http://www.bioinnovationct.com/ctbioscience-fund/>.

A list of specific Frequently Asked Questions (FAQs) can be found on the CBIF website under the “FAQ” section: <http://www.bioinnovationct.com/ctbioscience-fund/>. If there are additional questions beyond those addressed in the FAQs, they should be submitted in writing to cbifinfo@ctinnovations.com

➤ **APPLICATION OVERVIEW: Request for Funding**

The application must describe the applicant’s organization, the applicant’s plans toward commercial development of a technology, product, or service in the biosciences, requested funding for such activities from CBIF as well as other sources other than the State of Connecticut, market potential of the opportunity, and plans for future commercialization.

The application process is a simple two-step process. Interested applicants must first submit a Preliminary Application. The Preliminary Application may take the form of the provided template (see page 7), an investor slide deck, or executive summary. Preliminary Applications are reviewed on an ongoing basis by CI and those meeting fund requirements and showing most promise will be invited to submit Full Applications. Full applications are reviewed on a quarterly basis. Prior to submission, applicants should read the instructions and review the frequently asked questions (FAQs). The FAQ document may be found under the “FAQ” section of the website: <http://www.bioinnovationct.com/ctbioscience-fund/>.

Note: FULL APPLICATION SUBMISSIONS ARE ACCEPTED ON AN “INVITATION ONLY” BASIS. Invitation to submit a Full Application shall not be construed as any indication that funding is likely to be awarded.

➤ APPLICATION INSTRUCTIONS

Completed and signed applications must be submitted electronically, as one PDF document, via email to cbifapplications@ctinnovations.com.

Signed electronic applications must have pages numbered at the bottom, with ½-inch margins and 11 point font (either Arial or Helvetica). Tables may use a smaller size font, provided that they can still be read. Applications may be single-spaced. Any reprints, appendices, or other materials to be considered must be attached to the original application. The electronic copy of the application and all attachments should be sent in one (1) PDF file and submitted via email to CI at cbifapplications@ctinnovations.com.

- *Preliminary Applications* which use the provided template shall not exceed 2 pages (excluding Cover Page). If an investor slide deck or executive summary is submitted in lieu of template, the file should be within reasonable size limits.
- *Full Applications* shall not exceed 15 pages. The full application guidelines and application template may be found on the BioInnovation website under the “Documents” tab: <http://www.bioinnovationct.com/ctbioscience-fund/>.
- *Resubmissions*: Applicants who are resubmitting an application that was previously reviewed by the Fund should consult the resubmission guidelines found on the website for more information: www.bioinnovationct.com/wp-content/uploads/2014/09/Resubmission-Application-Process-Form-v1.2.pdf

IMPORTANT: Applications that do not follow the prescribed format or are incomplete when they are submitted or otherwise do not conform to the requirements of these instructions may be rejected as ineligible for consideration.

Applications, where possible, should avoid the inclusion of privileged or proprietary information. Where this is not possible, please make sure to note any portions containing privileged or proprietary information by marking the same in yellow highlighted text.

➤ PRELIMINARY APPLICATION GUIDELINES

The preliminary application template is found on page 7 of this document; instructions provided below.

1. Cover Page (Attachment I)

Use the format provided in Attachment I. An application is incomplete if any of the information or required signatures is omitted. The Cover Page must be signed by the Vice President of Research or other authorized official to confirm institutional approval for the application including financial as well as other types of regulatory compliance.

2. Preliminary Application (Attachment II)

Use the format provided in Attachment II. The Preliminary Application shall include an overview of the bioscience innovation and progress to date, commercial opportunity, value proposition, and scientific and business milestones which will be achieved with the funding if awarded.

➤ FULL APPLICATION GUIDELINES

The full application details can be found in the downloadable document found on the BioInnovation website under the “Documents” tab: <http://www.bioinnovationct.com/ctbioscience-fund/>.

➤ UPON INVESTMENT

Funding Details

Funding is contingent upon the authorization and availability of state funds. Notification of funding approval will be made, subject to contract, by the Connecticut Innovations CBIF Staff. The awardee will then need to execute legal documents related to the investment.

The funding period begins on the effective date specified in the legal documents. Expenditures incurred before the effective date of the agreement may not be charged against the award. Funding not used in a completed investment year may be used in a subsequent investment year to discharge expenses incurred, but not yet paid in the completed investment year. Any other carry over funding shall be expended only in accordance with the terms specified in the agreement.

Transmittal of Funds

Funds will be transmitted to the awardee over the duration of the investment according to the terms of the legal documents. Awardees will receive the first installment immediately following the execution of legal documents, and subsequent installments will be transmitted after milestone progress reports are received and approved, and approved milestones met. Milestone report templates can be found at www.bioinnovationct.com/ctbioscience-fund/. See additional reporting guidelines in the “Documents” section.

Audit of Funds

Expenditures by awardees may be subject to audit. It is the responsibility of the awardee to keep accurate and appropriate records and pertinent receipts. Entities submitting a request for funding must agree to cooperate by providing information for audit and a full review of the project.

Funding Transfer

Funding cannot be transferred from the institution except when the awardee moves to another eligible entity within Connecticut and the transfer receives the prior approval of the Advisory Committee in accordance with the terms specified in the legal documents.

Administration and Milestone Reports

Responsibility for general supervision of all activities rests with the institution. Principal Investigators are required to submit CBIF milestone progress reports utilizing the required reporting template. Reports shall:

- summarize activity and progress during the period for the milestone achieved;
- actual milestone metrics as described in the agreement(s)
- identify any significant scientific developments and all invention and intellectual property disclosures;
- describe collaborative work, strategic partnerships;
- describe any problems encountered;
- include a list of publications; and
- include a detailed summary in lay language suitable for the public and press; Lay summaries should include a brief introductory comment of the service/product/technology being worked upon, an explanation of the progress made, difficulties encountered, and the final results should be written for understanding by the general public and the Advisory Committee.

REQUIRED REPORTING TEMPLATES WITH NECESSARY INFORMATION ARE LOCATED ON THE CT BIOSCIENCE INNOVATION FUND WEBSITE UNDER “DOCUMENTS” www.bioinnovationct.com/ctbioscience-fund/

Failure to submit required reports or the submission of incomplete or inadequate reports could result in deferral of subsequent installment payments or termination of support and forfeiture of funds.

The Advisory Committee and/or their designees reserve the right to conduct site visits for funded projects.

Principal investigators are required to submit a **Final Report** within 30 days after scheduled completion of the project. This report must include complete data analysis, learnings and next steps for the technology/team. This information is needed for purposes of fund management, evaluation, fiscal accountability, and informing the public about the results of research supported under the Connecticut Bioscience Innovation Fund. Final payment to the institution will not be made in the absence of receipt of a Final Report. Additional information can be found at the CT Bioscience Innovation Fund website www.bioinnovationct.com/ctbioscience-fund/.

➤ **OTHER INFORMATION**

Acknowledgment of Support and Disclaimer

Any submitted publication, whether in peer-reviewed journals, meeting abstract formats, or in review articles or similar publications, or any internal presentation to the public and/or external discussion of the data/milestones in oral presentations, posters or meeting abstracts based on research activity supported by the funding must contain the following acknowledgment: **“This material is based upon work supported by the State of Connecticut under the Connecticut Bioscience Innovation Fund. Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the State of Connecticut or Connecticut Innovations, Inc.”**

A list of publications shall be submitted with each CBF milestone progress report and with the Final Report via email to cbifreports@ctinnovations.com.

Documents as Public Records

All documents submitted to the Connecticut Bioscience Innovation Fund will become a matter of public record and will be available to the public, except as described below. Information or material that Connecticut Innovations and the institution mutually agree to be of a privileged or proprietary nature will be held in confidence to the extent permitted by law. Without assuming any liability for inadvertent disclosure, Connecticut Innovations will seek to limit dissemination of such information only to its employees, peer reviewers and to the Connecticut Bioscience Innovation Advisory Committee. Accordingly, a proposal which indicates the inclusion of “Proprietary and Privileged Information” on the cover page, will be released to the Peer Review Committee and Connecticut Bioscience Innovation Advisory Committee only after those reviewers have signed a non-disclosure document reflecting applicable state law. Applicants are required to identify the words or paragraphs in **yellow highlighted text** on specific pages of the application that contain trade secrets or other proprietary information. Notwithstanding the foregoing, all applicable laws governing access to public records will be observed.

Publication

The State of Connecticut encourages the publication and distribution of the results of work performed under its funding. Connecticut Innovations retains the right to use published materials resulting from the performance of work under the Connecticut Bioscience Innovation Fund for state purposes.

Return on Investment

Applicants must clearly show how a financial return will be made to the Connecticut Bioscience Innovation Fund in return for the investment made by CI whether this be by loan repayment, exit from an equity position or other mechanism.

Legal Documentation

Applications selected to receive funding will be required to execute appropriate legal documentation as a condition of receipt of funding.

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Preliminary Application pages described in the instructional portion of the document follow this page.

Attachment I: Cover Page CT Bioscience Innovation Fund (CBIF)

Attachment I is required for BOTH a Preliminary Application and a Full Application. It should be completed by the principal investigator of each participating institution. For projects with multiple investigators, the lead investigator should be indicated.

An application is incomplete if any of the below information or the required signature is omitted. The Cover Page must be signed by the Vice President of Research or other authorized official to confirm institutional approval for the application including financial as well as other types of regulatory compliance.

Indicate Type of Investment Seeking: Grant

Title of Project: [Click here to enter text.](#)

Institution: [Click here to enter text.](#)

PI Name (sponsor where applicable): [Click here to enter text.](#)

Work will be conducted in Connecticut: Yes No (If No, justification must be provided.). [Click here to enter text.](#)

Will a start-up company be established? Yes No Name? [Click here to enter text.](#)

If yes, have any discussions begun with regards to licensing the Intellectual Property (I.P.)? [Click here to enter text.](#)

Is there an existing prototype and/or lead compound? Yes No

Signature(s): _____

I certify that the statements herein are true, complete and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. I agree to accept responsibilities for the scientific conduct of the project and to provide the required progress reports if funding is awarded as a result of this application.

PI Department/Mailing Address: [Click here to enter text.](#)

PI Phone: [Click here to enter text.](#)

PI Email: [Click here to enter text.](#)

Amount Requested: \$[Click here to enter text.](#)

Authorized Representative and Title: [Click here to enter text.](#)

I certify that the statements herein are true, complete and accurate to the best of my knowledge, and accept the obligation to comply with all terms and conditions of the Connecticut Bioscience Innovation Fund and all applicable laws and ethical standards if funding is awarded as a result of this application. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties.

Signature: _____

Date: _____

Items included in Project (please check where appropriate):

- Proprietary and privileged information (identify such words/paragraphs on specific pages in **yellow highlighted text** type)
- Preclinical Investigation
- In Vitro/Cell Investigation
- Vertebrate Animal
- Human subjects
- Other; Specify: [Click here to enter text.](#)

How did you hear about the Connecticut Bioscience Innovation Fund?

- CI/CBIF Website (www.bioinnovationct.com)
- Social Media (Please specify: LinkedIn Twitter Facebook)
- Press
- Event
- University Contact; Tech Transfer Office
- Other; Specify: [Click here to enter text.](#)

Attachment II: Preliminary Application/Project Summary (in non-scientific language) CT Bioscience Innovation Fund (CBIF)

The Preliminary Application shall include an overview of the project, commercial opportunity and value proposition, scientific methods to be employed written in lay language, and milestones which will be achieved with the funding if awarded. It should be completed by the principal investigator of each participating institution. For projects with multiple investigators, the lead investigator should be indicated.

Title of Project: [Click here to enter text.](#)

PI Name: [Click here to enter text.](#)

Academic Institution: [Click here to enter text.](#)

Collaborator(s): [Click here to enter text.](#)

One sentence description: This project's purpose is to [Click here to enter text.](#)

Attachment II: Preliminary Application/Project Summary (in non-scientific language) **CONTINUED**

Project Summary (Limit this to 2 pages): [Click here to enter text.](#)