



**MINUTES OF THE MEETING OF THE MARYLAND VENTURE FUND AUTHORITY  
MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION**

**March 1, 2023  
By ZOOM link**

The Maryland Venture Fund Authority (the “Authority” or “MVFA”) of Maryland Technology Development Corporation (“TEDCO”) convened at 9:02 a.m. on March 1, 2023, via a Zoom video conferencing link provided for that purpose. A quorum was present given that 7 members out of 9 members of the Authority attended the meeting.

The information requested under the Open Meetings Act with respect to actions taken during a Closed Session at the meeting of the Authority on December 7, 2022 is attached hereto as Exhibit A.

**Authority Members Present:**

Grace Garry, Chair  
David Wise, Secretary  
Mike Thielke  
Michael Tumbarello  
Renee Winsky  
Eileen O’Rourke  
Ann Quinn

**Representatives, TEDCO Staff and Guests Present:**

Troy Stovall, CEO TEDCO  
Terry Rauh  
Jack Miner  
Stephen Auvil  
Katherine Hill Richie  
Jean-Luc Park  
Theodore Gresser  
Solomon Asad  
Avanti Shetye  
Mark Crosby

**Assistant Attorneys General Present (Office of Attorney General):**

Lara L. Hjortsberg  
Jigita Patel

## **Members Not Present**

Aaron Eidelman

### **MINUTES OF THE OPEN SESSION**

The meeting was called to order by Grace Garry, the Chair, at 9:05 a.m.

#### **I. Action Item: Approval of December Meeting Minutes**

Mr. Miner introduced the December 7, 2022 meeting minutes for approval. Upon a motion duly made and seconded, the minutes were unanimously approved in the form presented to the Authority prior to the meeting.

#### **II. Update: Special Committee for Allocation of SSBCI VCLP**

Mr. Miner noted that the SSBCI Special Committee will consist of a total of 5 members: 3 members from the Investment Committee and 2 members from the Authority. The Investment Committee members who have volunteered for this task are: Mr. Chung Hei Sing, Mr. Omar Muhammad, and Mr. John Parrs. Mr. Miner requested 2 Authority members to volunteer for this task. Mr. Tumbarello and Ms. Winsky volunteered to serve on the SSBCI Special Committee.

#### **III. Update: SSBCI**

Mr. Miner next updated the Authority as to the deployment of TEDCO's SSBCI allocation noting the following:

- TEDCO is ahead of schedule in the deployment of SSBCI funds relating to Seed Funds and Venture Funds and that 80% of the first tranche SSBCI monies received for those funds have been deployed.
- Social Impact Funds are lagging in SSBCI disbursements because Mr. Park is focusing on disbursing the State allocation for the Builder Fund and Inclusion Fund (\$5 million or more until 6/30/23).
- TEDCO is ahead in investing SSBCI funds compared to the other approved Maryland programs as well as the other states that have received SSBCI funding.

In response to Mr. Wise's question regarding monitoring the compliance of TEDCO's portfolio companies regarding reporting, Mr. Miner answered that approximately 60% of the portfolio adheres to the reporting requirements whereas approximately 40% are currently out of compliance. Mr. Miner further noted that one of Mr. Crosby's job duties is to continuously follow-up or communicate with the non-compliant companies with the goal that they would provide the requisite reporting information.

Ms. O'Rourke stated that the reporting requirements should not be burdensome to the companies and wondered how other states are achieving their reporting compliance. Mr. Stovall noted that TEDCO is working to standardize reporting functions soon.

Next, Mr. Wise questioned the investment quality due to the pressure of deploying substantial funds within a fiscal year. Mr. Miner noted that there have been no issues with investing in quality companies and that due to the economic downturn, TEDCO is receiving high quality applicants from an investment perspective.

Mr. Wise wondered whether TEDCO has seen layoffs in their portfolio companies due to the recent trend of layoffs in the technology industry – such as Google, etc. Both, Mr. Miner and Ms. Richie answered that they are not seeing such layoffs in their portfolio companies.

A brief discussion ensued as to the State’s environment relating to taxes and whether the State’s environment is attractive for new businesses entering the State. Mr. Stovall noted that TEDCO is assisting the State in attracting new businesses to Maryland but that TEDCO does not interfere with the State’s policy or tax issues, with those issues resting with the legislature and Governor’s office.

#### **IV. Update: Allocation of Funds**

Mr. Miner provided a brief update on deployment of funds by Builder, Seed and Venture and the deployment of SSBCI funds with respect to the respective budgets, as follows:

- Seed and Venture state funds are close to 100% deployed; SSBCI funds are more than 80% deployed.
- Builder Fund has approximately \$3 million in pipeline for funding. The Social Impact SSBCI disbursements are lagging due to a significant increase in State funding in FY 2023.
- It is likely that TEDCO will re-allocate certain amounts from the SSBCI Social Impact Funds into SSBCI Venture or SSBCI Seed funds.

Mr. Miner noted that Mr. Park does an analysis for each investment and provides funding to only those companies that fit the criteria. Mr. Park was not able to find companies meeting the criteria, which resulted in lower deployment of the Social Impact SSBCI funds.

Mr. Stovall noted that Mr. Miner has a good relationship with Department of Housing and Community Development (“DHCD”) and that TEDCO’s SSBCI disbursements are greater than those of the other approved Maryland programs. Mr. Theilke remarked that DHCD and Meridian Management Group are more focused on lending rather than investing and have greater percentage match to meet for each disbursement.

#### **V. Update: Industry Update**

Mr. Miner noted that the investment team has been spending lot of time at conferences and industry events. He stated that he had attended a technology conference and noted that there is a significant opportunity in the market to work with strategic and tech transfer offices, and that most big corporations have the federal laboratories do their research & development. Ms. Ritchie added

that she had attended the Women and Venture conference, noting that women’s health industry is a million-dollar industry.

Mr. Miner briefly introduced Ms. Avanti Sheyte, the new Director of Fund Compliance and Investment Administration. Ms. Sheyte provided a summary of her prior experience and noted that she also conducts YouTube videos that educate her community on financial independence, college savings, and retirement savings.

Ms. O’Rourke commented that John Hopkins Translational Funding recently received a generous contribution from the Rashadi family. Ms. O’Rourke wondered whether the Translational Fund could provide a pipeline to TEDCO for its various funds. Mr. Stovall noted that TEDCO has been connecting with the directors at the Translational Fund quarterly.

**VI. Action Item: Motion to Approve MVFA Charter**

Ms. Garry noted that the next item on the agenda was the MVFA Charter. She provided the history of the preparation of the document, and at her request, Mr. Miner reviewed the duties of the Authority as stated in the proposed MVFA Charter. After discussion, and upon Motion duly made by Ms. Winsky and seconded by Mr. Wise, the Authority unanimously approved the MVFA Charter as presented.

**VII. Action Item: Motion to Close the Meeting**

Ms. Garry noted that she has been experiencing technical issues with the meeting connection and requested that Mr. Wise proceed with the agenda in her place. Mr. Wise noted the Closed Session on the meeting agenda and the meeting was moved into a closed session under the Open Meetings Act as follows: General Provisions (“GP”) 3-305(a)(1)(i), to carry out an administrative function, specifically to approve the minutes of the meetings of the Authority from October 1, 2022 to December 31, 2022; GP 3-305(b)(7), to consult with counsel to obtain legal advice; and GP 3-305(b)(5), to consider the investment of public funds.

Upon motion duly made by Mr. Wise and seconded by Ms. Winsky, the Authority unanimously approved that the meeting enter Closed Session for the referenced statutory justifications at 9:51 a.m. In addition to the Authority members who voted in favor of entering the Closed Session, the following individuals remained during the Closed Session at the invitation of the Committee: Messrs. Miner, Asad, Gresser, Park, Rauh, Crosby and Stovall (who noted that he will be leaving at 10:30 a.m.), Ms. Richie, Ms. Sheyete, Ms. Patel and Ms. Hjortsberg.

Ms. Garry requested Mr. Miner to lead the meeting due to technical difficulties. The following is a summary of what occurred during the Closed Session:

- a. Upon motions duly made and seconded, the Authority unanimously voted to confirm compliance for the following investments:

- **Warrior Centric Health Inc.:** \$999,998.82, Series A Preferred Stock, Maryland Venture Fund InvestMaryland II
  - **Theradaptive, Inc.:** \$500,000, Convertible Note, Maryland Venture Fund InvestMaryland II
  - **Fortrace, Inc.:** \$500,000, Convertible Note, Seed Fund (CIF)
  - **Astek Diagnostics, Inc.:** \$250,000, Convertible Note, Seed Fund (LSIF)
  - **Conarium Bioworks, Inc.:** \$200,000, Convertible Note, Seed Fund (LSIF)
  - **SeeTrue Technology LLC:** \$100,000, Convertible Note, Pre-Seed Builder Fund
  - **Linshom Medical Inc.:** \$300,000, Series A Preferred, Maryland Venture Fund InvestMaryland II
  - **pathOtrack Inc.:** \$300,000, Convertible Note, Maryland Venture Fund InvestMaryland II
  - **MarinaLife, Inc.:** \$500,000, Series A Preferred, Maryland Venture Fund InvestMaryland II (Ms. O'Rourke and Mr. Wise recuse themselves from voting and the discussion of this investment due to conflicts of interest).
- b. The Authority deferred approval of three SSBCI Seed Fund investments and two Pre-Seed Builder Fund investments until the next meeting of the Authority. A few members ask for clarification regarding the Authority's role in reviewing compliance with respect to the SSBCI requirements. Mr. Miner noted that he believes that the MVFA's review is limited to compliance with the State's statutory and regulatory requirements. Ms. Garry proposed deferral of this issue until the next meeting.

**VIII. Adjournment:** There being no further business, the meeting adjourned in Closed Session at 11:07 a.m.

**Exhibit A**  
**Required Disclosure under the Open Meetings Act for Prior Closed Session**

**Time, place, and purpose of Closed Session**

*Time and Place:* 9:30 a.m. on 12/7/2022, via Zoom link provided to the Maryland Venture Fund Authority (“Authority) and those invited to attend by the Authority.

*Purpose:* Review of investments made by Maryland Technology Development Corporation (“TEDCO”) from July 1, 2022 to September 30, 2022 (“Investments”).

**Recorded vote of each member as to closing of the Closed Session**

*Recorded vote:* The resolution to close the meeting was adopted unanimously by all of the Authority members present at the meeting as follows: Grace Garry, Brian Darmody, Aaron Eidelman, Mike Thielke, Michael Tumbarello, Renee Winsky, David Wise, and Eileen O’Rourke

**Citation of authority under General Provisions Article (“GP”) §3-305 for closing the meeting**

- §3-103(a)(1)(i): This subtitle does not apply to ... a public body when it is carrying out ... an administrative function.
- §3-305(b)(7): To consider the investment of public funds
- §3-305(b)(5): To consult with counsel to obtain legal advice on a legal matter

**Listing of topics discussed, persons present, and each action taken during the Closed Session**

*Topics discussed:*

- Provide an update relating to the investment team’s staffing issues.
- Review of Investments for statutory and regulatory compliance.

*Persons present:*

- From the Committee: Grace Garry, Brian Darmody, Aaron Eidelman, Mike Thielke, Michael Tumbarello, Renee Winsky, David Wise, and Eileen O’Rourke
- From TEDCO: Troy Le-Maile Stovall, Jack Miner, Solomon Asad, Katherine Hill Ritchie, Jean Luc Park, and Theodore Gresser,
- From the Office of Attorney General: Lara L. Hjortsberg and Jigita Patel

*Actions taken:*

- The Authority unanimously voted to approve compliance of the following investments: Quidient LLC, Tuzmo Inc., The Black Brain Trust, LLC, Hopr Corporation, Zero Point Five Therapeutics, EliteGamingLIVE, Inc., Tao Treasures, LLC, Balance Theory, Medcura, Inc., and Temperature SafeNet, Inc.