



**MINUTES OF THE
MARYLAND VENTURE FUND AUTHORITY
September 1, 2021
Virtual Meeting via Zoom Platform**

Members

A quorum was present given that all members of the Maryland Venture Fund Authority (the "Authority") were present and participatory via Zoom platform.

- Brian Darmody, Vice Chair
- Aaron Eidelman
- Grace Garry, Chair
- Eileen O'Rourke
- Ann Quinn
- Mike Thielke
- Michael Tumbarello
- David Wise, Secretary
- Renee Winsky

Others in Attendance

Special Speaker:

- Amritha Jaishankar, PhD, Maryland Stem Cell Research Fund

The following members of the TEDCO staff also participated in the meeting.

- Stephen Auvil
- Anne Balduzzi
- Bill Collier
- Frank Glover
- Jack Miner
- Terry Rauh
- Troy Stovall
- Tim Wilson
- Sidd Chhabra

The following Assistant Attorneys General were also present at the meeting.

- Teresa Carnell
- Jigita Patel

PUBLIC SESSION

The meeting was called to order by Ms. Garry, the Chair, at 9:04 AM.

I. Approval of the Minutes

The minutes of the March 2021 meeting require grammatical edits.

II. Overview for MSCRF

Introduction by Mr. Miner: Mr. Miner explained that the goal of the presentation is to provide the Authority with information about MSCRF's roles and activities and how TEDCO's and MSCRF's activities intersect.

Overview by Ms. Jaishankar: Ms. Jaishankar explained that MSCRF facilitates stem cell research and has funded \$170 million in projects, using six different modeling opportunities. MSCRF has several programs to fund university-based research and startups using stem cell products. MSCRF serves as the "connective tissue" of regenerative medicine in the country. MSCRF works closely with the TEDCO investment team. Four companies from the MSCRF portfolio have been funded by TEDCO.

Regarding grant-based programs, Ms. Jaishankar noted that MSCRF funding falls into a number of categories:

- Research innovation - high risk, high reward ideas
- Validation - When faculty have some intellectual property
- Commercialization - Technology transfer

MSCRF is not just a tech transfer program. It will also fund start-ups. It has funded two companies which eventually went on to initial public offerings.

[The members of the Authority asked a number of questions about MSCRF which were answered by Ms. Jaishankar and Mr. Stovall.]

[Questions by MVFA Members regarding MSCRF:

Q: What happens after the clinical trial concludes in terms of the benefit to the State of Maryland?

A: The company often continues in Maryland. The cure itself will benefit Maryland patients.

Q: Where are the clinical trials being completed?

A: Clinical trials that MSCRF funds are at UMD or Hopkins - all Maryland institutions.

Q: What stage clinical trial?

A: One or two

Q: What is the breakdown of pure research funding vs. commercialization process?

A: Company funding did not start until 2017. The large part of the funding is research.

Q: Different approval process, driven by the MSCRF statute. How does it work?

A: MSCRF Commission makes funding decisions based on a peer review process. The reviewers must be from outside of Maryland to avoid conflicts. The peer review process is similar to the National Institutes of Health (“NIH”) peer review process. Two cycles. Some of the programs pitch for validation and clinical program.

Q: What is the range of dollars on the grant and investment side?

A: Grants only. No investments. Research grants about \$350,000. Companies about \$300,000. Clinical trials go up to \$750,000 per year.

Mr. Stovall gave some background on MSCRF and Ms. Jaikshankar. Mr. Stovall noted the recent budget cuts in MSCRF (\$20 million down to \$8 million). He contrasted the MSCRF budget to California, which recently appropriated \$50 billion in similar research programs. He stated that MSCRF's work needs more funding and that MSCRF is looking to the federal government to supplement its funding.

Q: Are federal programs seeking to co-fund with MSCRF or is MSCRF catalytic?

A: NIH funds some programs like this. Discussion of federal-state dynamic. Mr. Stovall noted that Mr. Auvil of TEDCO is pursuing strategies to facilitate federal support.]

III. Closed Session – Statement for Closing the Meeting. After a motion duly made by Mr. Wise and seconded by Ms. Quinn, the members voted unanimously to move the meeting from the public to a closed session.

a. Time of Closed Session: 9:30 AM

b. Place of Closed Session: Zoom platform link

c. Authority for Closed Session: Md. Code, General Provisions Section 3-103(a)(1)(i) and Section 3-305(b)(5) and (b)(7). Purpose of the Closed Session: To review and discuss investments by TEDCO from April 1, 2021 to July 1, 2021. The Authority discussed all new investments made by TEDCO and its affiliates and reviewed the investments' compliance and adherence to the statutory and regulatory requirements imposed on TEDCO and asked questions to counsel.

d. All members voted to confirm compliance and approval for the following investments:

Machfu, Inc.

\$145.14

Seed Funds: Technology Commercialization Fund

The aBreak Project LLC

\$200,000.00

Seed Funds: Cybersecurity Investment Fund

Return Solutions, Inc. (DBA Return B2B)

\$200,000.00

Seed Funds: Cybersecurity Investment Fund

SharpRank, Inc.
\$200,000.00
Seed Funds: Cybersecurity Investment Fund

Infinite Focus, Inc.
\$100,000.00
Builder Fund

LauchPad Music, LLC
\$100,000
Builder Fund

AudioOne, Inc
\$150,000
Builder Fund

Veralox Therapeutics, Inc.
\$125,000.00
Enterprise Fund

scaleMatters, Inc.
\$866,952.67
Enterprise Fund

LePrix, Inc.
\$499,999.95
Enterprise Fund

remodelmate, Inc.
\$999,999.47
Enterprise Fund

Cide Kic, Inc.
\$25,000
Rural Business Innovation Initiative

Counter-Intuitive Cooking Inc.
\$25,000
Rural Business Innovation Initiative

Attila Security Inc.
\$99,999.85
Enterprise Fund

Briefly discussed legal concerns about sharing documents that contain personally identifiable with the Authority members and it was agreed to defer the discussion at a future meeting.

IV. Adjournment.

The meeting was adjourned at 11:09 AM