

MASSVENTURES

Minutes of the Board of Directors Meeting

December 5, 2019

The three hundred and eighty-third regular meeting of the Board of Directors of MassVentures was held on Thursday, December 5, 2019, in the Dewey Conference Room, 308 Congress Street, 5th floor, Boston, Massachusetts. The meeting was called to order by the Vice Chair at 8:05 a.m.

Present

Rene Jarquin, Vice Chair	Charles Hipwood, Acting President
William Asher, Director	Jason Allen, Vice President
Cynthia Bouthot, Director	John Lawrence, Assistant Treasurer
Nathaniel Collins, Director	
Jay Tuli, Director	
Mark Fuller, Alternate for the Secretary of Housing and Economic Development	
Craig Stepno, Alternate for the State Treasurer	

383.1 PURPOSE AND MISSION OF MASSVENTURES

Mr. Hipwood provided some current examples of MassVentures fulfilling its mission in the community – providing technical assistance and management support to existing and prospective companies.

383.2 AUDITORS PRESENTATION AND DISCUSSION

Jeff Solomon and Sarah Pratt of the public accounting firm Katz, Nannis and Solomon, PC presented their findings as a result of the June 30, 2019 financial audit of the corporation to the Board of Directors. They reviewed the financial statements, the audit summary, audit adjustments and required communications. The auditors reported that there were no significant unusual adjustments; that staff had been highly cooperative and well-prepared; that control systems and the environment were appropriate for a small organization and all aspects of the financials are being handled correctly. After the presentation of the financial statements, the MassVentures staff left the room and the auditors had an executive discussion with the Board of Directors.

(At this point the MassVentures staff rejoined the meeting.)

Upon MOTION by Mr. Stepno and SECONDED by Mr. Fuller, it was unanimously VOTED:

That the Board of Directors accepts and it hereby does so accept by this Vote, the audit report presented by Katz, Nannis and Solomon, PC for the period ended June 30, 2019.

383.3 EXECUTIVE SESSION

Pursuant to M.G.L. chapter 40G, section 10, Mr. Jarquin conducted a roll call vote to enter Executive Session for the purpose of discussing and considering commercial and financial information regarding the business operations of certain portfolio companies and of potential investment candidates. Board member

responses were: William Asher – Yes; Cynthia Bouthot – Yes; Nathaniel Collins – Yes; Jay Tuli – Yes; Mark Fuller – Yes; Craig Stepno – Yes; and Rene Jarquin – Yes.

Mr. Jarquin then requested that any members of the public in attendance to leave the meeting. He also stated that the meeting would reconvene in Open Session and that any Votes that had taken place during the Executive Session would be announced.

383.4 INVESTMENT ACTIONS

383.4.1 Life Image, Inc.

Mr. Allen updated the board of directors regarding the current status of Life Image, Inc. Discussion followed regarding whether or not MassVentures would participate in a financing round of the company.

383.4.2 Edaris Health, Inc.

Mr. Hipwood updated the board of directors regarding the current status of Edaris Health, Inc., which was followed by lengthy discussion. Upon MOTION by Mr. Asher and SECONDED by Ms. Bouthot, it was unanimously VOTED:

That the Board of Directors approve, and it hereby does so approve by this vote, the sale of securities currently held by MassVentures in Edaris Health, Inc. of Waltham, Massachusetts.

383.5 DEAL COMPARISON AND PREVIEWS

383.5.1 SYRG, Inc.

Mr. Allen presented an overview on SYRG, Inc. of Cambridge, Massachusetts, and summarized the staff's reasons for considering a new investment in the company. After discussion, Mr. Collins, Mr. Fuller, and Ms. O'Reilly volunteered to be board visitors and participate in due diligence on the company.

383.5.2 Wabbi, Inc.

Mr. Hipwood presented an overview on Wabbi, Inc. of Boston, Massachusetts, and summarized the staff's reasons for considering a new investment in the company. After discussion, Mr. Asher volunteered to be a board visitors and participate in due diligence on the company. Mr. Turner will also be contacted.

383.6 PORTFOLIO UPDATE

383.7 RESUMPTION OF OPEN SESSION

Mr. Jarquin conducted a roll call vote to resume the meeting in Open Session. Board member responses were: William Asher – Yes; Cynthia Bouthot – Yes; Nathaniel Collins – Yes; Jay Tuli – Yes; Mark Fuller – Yes; Craig Stepno – Yes; and Rene Jarquin – Yes.

He then announced that one vote took place during the Executive Session as summarized earlier in these Minutes regarding Edaris Health, Inc.

383.8 CANDIDATE PIPELINE

Mr. Hipwood highlighted the pipeline of potential investment candidates and reminded the board members present that they should declare potential conflicts of interest with any of the companies on the list, either at this meeting or subsequently to Ms. Cormier. He noted that companies added since the last meeting of the Investment Committee are indicated at the top of the list printed in red. No disclosure statements were made at the meeting.

383.9 MINUTES

Next, the Board of Directors discussed the minutes and pre-investment sheets from the October 24, 2019 Board of Directors meeting which had been previously circulated. Upon MOTION by Mr. Asher and SECONDED by Mr. Stepno, it was unanimously VOTED:

That the Minutes of the three hundred and eighty-second meeting of the Board of Directors of MassVentures held on October 24, 2019, are accepted as presented and placed on file.

283.10 MINUTES OF THE COMPENSATION COMMITTEE MEETING

The Compensation Committee members who attended a meeting of the Compensation Committee on October 24, 2019, were present at this board meeting. Therefore, it would be timely and efficient for the Committee to approve the minutes of that meeting at this time. Upon MOTION by Mr. Asher and SECONDED by Mr. Stepno, it was unanimously VOTED by members of the Compensation Committee:

That the Minutes of the meeting of the Compensation Committee held on October 24, 2019, are accepted as presented and placed on file.

383.10 FINANCIAL MATTERS

383.10.1 Treasurer's Report

Mr. Lawrence presented the Treasurer's Report for the month of October 2019. Upon MOTION by Mr. Collins and SECONDED by Mr. Asher, it was unanimously VOTED:

That the Treasurer's Report for the month of October 2019 are accepted as presented and placed on file.

383.11 ACTING PRESIDENT'S REPORT

383.11.1 START Program Update

Mr. Hipwood provided on update on the proposed timing of the FY 2020 START process.

383.11.2 Board Update

Mr. Hipwood provided an update on the open board positions.

383.11.3 Marketing Update

Mr. Hipwood provided an update on the corporation's marketing efforts.

383.11.4 Partnerships for Growth

Mr. Hipwood provided an update on MassVentures' strategic goals as it relates to the Commonwealth's Partnerships for Growth initiative.

383.11.5 State Audit Update

Mr. Lawrence provided an update on the expected timing of the state auditor's letter.

383.11.6 Search Committee Update

(At this point, MassVentures staff members temporarily left the meeting.)

Mr. Asher provided an update on the CEO search process:

- Outreach was made to more than 600 potential candidates
- 90 candidates expressed interest in the position
- Resumes were received from 70 candidates
- Interviews were conducted with 12 qualified candidates
- Three finalists were selected with additional finalist interviews conducted

Mr. Asher reported that it was the conclusion and recommendation of the Search Committee that Charlie Hipwood be offered the role of CEO and President of MassVentures.

(At this point the staff rejoined the meeting.)

Upon MOTION by Mr. Stepno and SECONDED by Mr. Tuli, it was unanimously VOTED:

That the Board of Directors approves, and it hereby does so approve by this Vote: The Board of Directors of MassVentures ("The Corporation"), acting pursuant to the section 2 of Chapter 40G of the General Laws of the Commonwealth, does hereby appoint Charlie Hipwood as President and Chief Executive Officer of the Corporation. The appointment of Mr. Hipwood as the Corporation's President and CEO shall be subject to the execution by Mr. Hipwood of a contract of employment.


383.11.7 Collection of Conflict of Interest Law Summary Acknowledgement Receipts

In compliance with the State Ethics Commission, Mr. Hipwood distributed to all board members and staff a copy of the *Summary of the Conflict of Interest Law* and asked everyone to please sign and return to him the acknowledgment receipt on the last page of the document. He noted that this is an obligatory annual practice.

383.12 ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 10:30 a.m. It was announced that the next regularly scheduled meeting will be held on Thursday, December 5, 2019, in the Dewey Conference Room, 308 Congress Street, Boston, Massachusetts.

Respectfully submitted,



William B. Asher
Secretary