

MASSACHUSETTS NEXT GENERATION INITIATIVE (MassNextGen) FREQUENTLY ASKED QUESTIONS (FAQs)

GENERAL

1. What is the Massachusetts Life Sciences Center?

The Massachusetts Life Sciences Center (Center) is a quasi-public agency of the Commonwealth of Massachusetts that is tasked with implementing the Massachusetts Life Sciences Initiative, a \$1 billion initiative that was signed into law in June of 2008. The Center's mission is to create jobs in the life sciences and support vital scientific research that will improve the human condition. This work includes making financial investments in public and private institutions that are advancing life sciences research, development and commercialization as well as building ties between sectors of the Massachusetts life sciences community. For more information, visit our [website](#).

2. Why has the Massachusetts Life Sciences Center made small businesses a priority?

Over 99 percent of all U.S. employers are small businesses, according to the U.S. Small Business Administration. Small business growth is essential to overall job growth, a central part of the Center's mission.

3. What is the MassNextGen Initiative?

The MassNextGen Initiative was announced in November 2017 with the support of Governor Charlie Baker and Takeda. This public-private partnership, currently a 5-year, \$1 million commitment, will focus on empowering women and diversity in the next generation of life sciences entrepreneurs. Takeda, our anchor sponsor, has committed to \$250,000 for five years to improving diversity in the life sciences industry in Massachusetts. MassNextGen will identify promising women-led life sciences companies and provide critical funding and access to a robust network of executive coaches to ensure resources are available for women entrepreneurs to succeed.

MassNextGen will provide up to \$100,000 non-dilutive capital for this inaugural round.

4. What are the objectives of the MassNextGen program?

This program has the following primary objectives:

- Move towards closing the diversity gap in the life sciences industry by investing in the next generation of women entrepreneurs
- Assemble a team of experts in the industry to provide support and coaching to women entrepreneurs
- Build support for women entrepreneurs and diversity in the life sciences from across the industry by creating a public private partnership between MLSC and industry members

- Assist women-led early-stage life science companies with performing and completing projects which are essential to moving their company forward and aligned with their fund-raising plans

5. What “life science” areas does the MassNextGen Program target?

The MassNextGen program targets life science companies who have a core technology and/or service in biotechnology, pharmaceuticals, medical devices, medical diagnostics or imaging, bioinformatics, digital health, agricultural biotechnology, chemical synthesis and/or technology, genomics, marine biology or technology, nanotechnology, drug delivery, proteomics, regenerative medicine, and/or veterinary science.

ELIGIBILITY

6. What are the eligibility criteria for applicants to MassNextGen?

In order to be eligible for this program, applicants must:

- Be located in the Commonwealth of Massachusetts and registered to do business in Massachusetts;
- have at least 1 **W-2** Full time equivalent employee (35 hours or greater), the majority of whom are based in Massachusetts;
- be a life science company with core technology and/or service in biotechnology, pharmaceuticals, medical devices, medical diagnostics or imaging, bioinformatics, digital health, agricultural biotechnology, chemical synthesis and/or technology, genomics, marine biology or technology, nanotechnology, drug delivery, proteomics, regenerative medicine, and/or veterinary;
- have a woman-lead on the team in the CEO or equivalent position;
- the woman CEO must be open to executive coaching including receiving critique and feedback and must commit to attending all four executive coaching sessions in MA throughout the year-long program;
- Active Accelerator Loan Program that have awards with the Center are not eligible to apply to this program; and
- Previous awardees must be in compliance with respective programs.

7. I am no longer a majority owner of the company—can I still apply?

We welcome all companies in MA to apply if a woman is in a leadership position and is making decisions for the company. These titles vary for startups, and the applicant will have an opportunity to indicate the applicant woman’s role in the company.

8. What are some of the expenses covered by the MassNextGen program?

- Eligible expenses are direct costs related to the project and may include: scientific research activities, market research, purchase of capital equipment, production of sample for initial pre-clinical or early clinical evaluation, filing FDA paperwork such as 510K, IDE, and IND, legal

expenses, direct labor, consultants and subcontractors, materials, project-related travel (up to 10%). Non-fundable expenses include: paying off debt, paying board members, paying for operating costs such as rent and utilities and activities funded by other funding sources

Please note: Travel expenses must relate directly to the project, and only up to 10% of the Grant is allowed for travel reimbursement.

9. We are an awardee of a previous Center program (UP, MAP, MassRamp) can we still apply for the MassNextGen program?

Yes, providing you have completed and submitted all necessary documentation to the Center (such as approved reports and/or repayment of Accelerator loan) for your previous award and you meet the MassNextGen eligibility requirements.

If you are a current participant of the Internship Challenge, you are eligible to apply for MassNextGen. If you currently have an active award with the Center, you must be in compliance with all Center agreements.

10. What documents will be requested during the application process?

Documents requested include:

- Business Plan and supporting data which addresses the following:
 - Company overview, value proposition of the novel technology, understanding of the market, overall milestone and capital required, proposed partnerships to execute and the current exit strategy.
- Certificates of Good Standing, one from the [MA Department of Revenue](#) and the other from the [MA Secretary of the Commonwealth](#). **The process of applying and receiving certificates can vary in length of time. We recommend starting this process as soon as possible.**

Please note that the Center reserves the right to request additional documentation at any point during the review process.

11. What if our Certificate of Good Standing is not ready by the application deadline?

Due to the fact that this process takes time to complete we recommend you apply early. In the case that these documents are not ready by the application deadline, please include a receipt proving that you have requested a certificate of good standing.

12. Are applicants required to have Massachusetts operations?

Yes. Applicants must be engaged in life sciences research, development, manufacturing and/or commercialization in Massachusetts. Companies must be registered to do business in Massachusetts PRIOR to the time of submitting their MassNextGen application. Companies DO NOT need to be incorporated in Massachusetts in order to be eligible.

13. If I have developed or licensed technology, but have not yet formed a company, can I apply for this program?

No. In order to be eligible for this program you must have formed a company, and must be registered to do business and in good standing in Massachusetts. Please see the state's [website](#) for information on setting up and running a Massachusetts-based business.

FUNDING FOR MASSNEXTGEN

14. How much funding is available to applicants under the program?

The Center has allocated up to one hundred thousand dollars (\$100,000) in funding for the FY 2018 MassNextGen program. The number and amount of awards will be determined by the quality of applications received. Other in-kind services will be provided to the awardees of the program.

15. If awarded, will the amount we requested in the application be provided?

The Center reserves the right to award grants that differ from the amount requested by applicants in their proposals based on recommendations by the Scientific Advisory Board and the Investment Committee.

16. Can a company apply for a project that costs more than the maximum grant award of \$100,000?

Yes. Applicants may submit a proposal that will cost more than \$100,000, but since the maximum grant awarded from the Center will be \$100,000, applicants should explain where the remaining funding would come from in order to complete the project

17. May applicants use the grant award to cover the cost of employees working on the proposed project?

Yes. Salary and fringe expenses directly associated with the project's activities are eligible for funding under MassNextGen.

18. How will the grants be disbursed?

In order to receive an award under MassNextGen, an invoice must be submitted to the center. Two payments will occur:

- a. 90% of the total grant upon signing of the Grant Agreement and submission of an invoice to the Center
- b. 10% upon submission and approval of the Progress Report and invoice to the center provided that costs incurred merit payment of such additional 10%.

Invoices must be sent to Monica Anc, Senior Program Associate at manc@masslifesciences.com.

APPLICATION PROCESS

19. How do companies apply for awards under MassNextGen?

Companies interested in applying for awards under the Program should first review the Program solicitation and sample application, which will be available on the [MassNextGen page](#) on the Center’s website. After reviewing the program materials, companies may apply by clicking on the “Apply Here” button and following the instructions within the online application portal, hosted by SmartSimple. Applications may only be submitted online and the Center will not accept paper submissions. If technical assistance is needed please email massnextgen@masslifesciences.com.

20. What is the application deadline?

The application deadline for the Program is 12:00 p.m. Noon (EDT) on **Thursday, February 14, 2018**.

21. When does the Center anticipate announcing awards?

The Center anticipates contacting the awardees and making the announcing awards at the end of April, 2018.

22. Can a company submit multiple applications to MassNextGen?

No. Only one application per company will be allowed.

COMPLETION OF APPLICATION

23. What are the accepted file formats in the MassNextGen application?

The application portal only accepts documents in a .pdf format.

24. Not all the mandatory questions are relevant to our company. How should we answer them?

You should write N/A in the text box.

REVIEW PROCESS

25. What is the process for reviewing applications?

An initial administrative review will be conducted by the Center’s staff in order to confirm eligibility. Then a comprehensive evaluation process will be carried out by a judging panel consisting of members of our Executive Coaching Network, including seasoned life science entrepreneurs, investors, and other stakeholders. The reviewers may provide questions to applicants if further clarification is needed. Applicants will have a limited timeframe to respond to such requests. Applicants may be required to present their proposal to the Board of Directors’ Investment Committee and members of the Judging Panel. Final recommendations will be made to the Center’s Board of Directors for approval.

26. If selected, when will presentations to the Investment Committee occur?

Presentations will be made only upon invitation from the Center. These are planned to occur during mid-April. Invitations and additional instructions will be communicated to selected applicants in advance of these presentations.

27. Who will be making the final award decisions?

The Center's Board of Directors has final authority for approving all grants under the Program, taking into account the findings and recommendations of the Judging Panel and the Board's Investment Committee.

28. What are the evaluation criteria?

- Level of involvement of women and a demonstrated commitment to maintaining women leadership in the Company
- Proposed use of up to \$100,000 grant money, including the potential for cost-sharing with other sources of money
- Feasibility of business plan, explaining the value proposition and understanding of the market, unmet needs, and regulatory pathway of the technology
- Ability to leverage executive coaching

POST AWARD

29. What are the next steps once a proposal is awarded?

First, a grant agreement will need to be signed between the Center and any awarded companies. After a company has been awarded they will receive a final version of the grant agreement to sign. After the agreement is fully executed, an invoice must be sent to the center for 90% of the awarded amount.

30. What are the program deliverables?

The awarded company will submit a progress report and post project report to the Center by the respective due dates. All reports will be submitted to Monica Anc at manc@masslifesciences.com. Reports templates will be provided to awardees.

31. What happens if a company's proposal requires modification from the original proposal during the Grant period?

Any change that significantly alters the goals, timeline or budget of the project must be highlighted and explained in the reports. Companies must ask the Center for approval of such significant changes and the Center reserves the right to terminate the grant.

32. How often are the Executive Coaching Sessions?

The coaching sessions will be offered quarterly and with advance notice to the awardees.

33. What will happen at the Executive Coaching Session?

The coaching session will be structured with designated topics and/or activities to address particular business needs. Awardees will also have the opportunity to network with the Executive Coaches and other guests.

LEGAL

34. Will the center have any rights to intellectual property developed by the applicant by virtue of any award?

No. Awards under the Program are grants, and the Center will not have any claim to an applicant's intellectual property solely by virtue of an award under the Program.

35. Should applicants submit confidential information as part of an application?

MLSC is subject to the requirements concerning disclosure of public records under the Massachusetts Public Records Act, M.G.L. c. 66 (Public Records Act), which governs the retention, disposition and archiving of public records, such as written materials, financial statements, statistical tabulations and other documentary materials or data. As a result, applicants should be aware that any information submitted to MLSC is subject to public disclosure as set forth in the Public Records Act. There are, however, exceptions. "Public records" do not, for example, include documents containing trade secrets, such as commercial or financial information regarding the operation of any business conducted by a company or other institution or regarding the competitive position of a company or other institution in a particular field. In the event that an applicant wishes to submit certain documents to MLSC and believes such a document or documents may be proprietary in nature, the applicant should identify such materials in its application as Confidential. MLSC's General Counsel is the sole authority within MLSC for making determinations on the applicability and/or assertion of an exemption to the Public Records Act. All documents submitted by the applicant, whether designated as "Confidential Information" or not, are not returnable.

36. What are recipients' contractual obligations?

Successful applicants will be required to execute a Grant Agreement with the Center that sets forth the requirements of the grant and the terms and conditions of compliance.