

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
MASSACHUSETTS LIFE SCIENCES CENTER**

DATE: February 26, 2020
TIME: 2:00 p.m. EST
PLACE: Massachusetts Life Sciences Center
1075 Main Street, Suite 100
Waltham, Massachusetts

DIRECTORS PRESENT: Stuart Abelson
Julie Chen (designee for Marty Meehan)
Mark Fuller (designee for Secretary Michael Kennealy)
Jacqueline Grant (via conference line)
Catharine Hornby (designee for Secretary Michael Heffernan)
Gary Kearney
Pam Randhawa

1. Call to Order

Mark Fuller called the meeting of the Board of Directors (the “Board”) of the Massachusetts Life Sciences Center (the “MLSC” or “Center”) to order at 2:05 p.m. The meeting, having been duly convened, was ready to proceed with its business.

2. Approval of Board Minutes

The Board then reviewed the minutes of the December 11, 2019 Board meeting. Upon a motion duly made, seconded and carried, the Board adopted the resolution to approve the minutes. Dr. Grant had not yet joined the meeting and Ms. Catharine Hornby abstained as this was her first meeting and she had not attended the December 11th meeting.

3. Chair’s Update

Mr. Fuller welcomed Catharine Hornby, Secretary Heffernan’s delegee, as the new Board co-chair and announced that Bill McNamara had been appointed the Commonwealth’s Comptroller. Ms. Hornby then introduced herself as the Undersecretary of the Executive Office for Administration and Finance. Ms. Hornby explained that ANF is early in the capital funding process and that she has been aware of the work of the MLSC from the funding perspective for some time. She expressed excitement and gratitude for the chance to serve as a Board member.

Mr. Fuller then reported that the new CEO search is underway and requested feedback for the draft CEO job description that had been shared with Board members. Mr. Fuller also noted that he will share search updates with Board members as the search narrows.

4. CEO Update

Mr. Timothy McGourthy, welcomed all new Board members and indicated that there would be an orientation in the coming weeks to provide an overview of the organization. Mr. McGourthy then reported on a complaint filed with the Court regarding promulgating regulations for the Angel Investor Tax Credit and launching the program. Mr. McGourthy indicated that the MLSC is working on a response with the appropriate partners at the Executive Office of Housing and Economic Development and the Executive Office of Administration and Finance.

Mr. McGourthy also reported on a new member of the Neuroscience Consortium, the Eisai Center for Genetics Guided Dementia Discovery, which is contributing \$250,000 to pursue Alzheimers' research with Massachusetts research institutions and other industry partners.

Mr. McGourthy then announced that the MLSC Brand Refresh headed by the Marketing & Communications team will launch in mid-March. The brand refresh will include a new website and collateral that will position the MLSC as a co-catalyst leader and accelerator in the life sciences ecosystem.

Mr. McGourthy then ceded his time to Cheryl Sadeli, Vice President of Finance, who provided a quarterly update. Ms. Sadeli reported that as of the end of 2019, the MLSC is well under budget with savings from salaries/benefits and consulting services. This results in operating costs being currently under four million dollars which is less than the originally budgeted \$4.4 million.

5. Seed Fund Investment Presentation and Vote

Mr. Fuller then introduced Dr. Jennifer Griffin, Vice President of Industry Strategy and Investments, to present on MLSC's Seed Fund Investment Program. Dr. Griffin explained that the program is in its first year with the goal to drive economic growth in certain regions throughout the Commonwealth outside of greater Boston. The program leverages a federal award of \$300,000 that will operationalize the seed fund along with an additional Board approved allocation of \$1,000,000 from the investment fund to provide capital for these equity investments. The investments are in the form of convertible notes and will be up to \$250,000 for early stage companies that are yet to raise their first price rounds. Investment will be made in companies with at least one full-time employee located in Lowell, Worcester, Springfield, Amherst and Pittsfield. Dr. Griffin further explained that these regions have been identified as not benefiting from the same level of funding from venture capital dollars in the ecosystem and that they are supported by a strong academic, research and entrepreneurial infrastructure. Dr. Griffin noted that this is the

second investment opportunity presented to the Board with the first opportunity being a medical device/diagnostics company for preterm infants to measure cerebral blood flow. Dr. Griffin provided an overview of the rolling application process that received 54 applications with 16 of those applicants presenting in-person pitches and 5 advancing to further diligence.

Dr. Griffin then explained the investment opportunity being proposed for iVexSol Inc., a company working in the gene therapy space. By providing a technology that will produce viral vector stable cell lines at scale, Dr. Griffin reported that iVexSol has developed a manufacturing solution to a bottleneck that has existed in advancing gene therapies. iVexSol Inc. is able to produce this service at 50% of the cost, in less than 20% of the production time and at least 10 times the quantity of current methodologies. Dr. Griffin explained the benefit of iVexSol's solution to smaller companies that often encounter a 16-48 month delay getting into the queues of larger companies that do this work. The initial target market will be academic medical centers that are doing clinical trials. Board members then discussed the importance of addressing the manufacturing bottleneck from a strategic perspective which will render many benefits across the ecosystem.

Upon a motion duly made, seconded and carried, the Board adopted the resolution to approve a \$250,000 equity investment in iVexSol Inc. through a convertible note provided that iVexSol Inc. meets certain conditions. Dr. Grant abstained from this and subsequent votes because she was participating remotely.

6. Competitive Capital Call Presentation and Vote

Dr. Carla Reimold, Director of Industry Strategy & Investments, presented an overview of the Competitive Capital Call. Dr. Reimold then reviewed this year's application process with the objective of investing in innovative infrastructure across the state in research institutions with a \$2,000,000 cap on each award. Dr. Reimold reported that the program launched in October 2019 with extensive outreach to potential applicants via conference call and on-site visits. Twenty-two applications were received, 17 of these advanced to external expert reviewers for evaluation via our online portal and 11 were selected as finalists to present to an expert panel which resulted in recommended awards of \$10.4 million in capital funding.

Mr. Stuart Abelson then inquired whether these research institutions considered purchasing Massachusetts-based suppliers to the extent feasible. Dr. Reimold replied that in the application there is a section for applicants to elaborate on the benefit to the Massachusetts ecosystem, thus

giving space for companies to highlight if they are using Massachusetts based companies. Dr. Kearney referenced the April Investment Committee meeting discussion regarding the need for academic institutions to collaborate and to provide access to funded equipment for the greater community. Dr. Kearney then urged the MLSC to insure grantees be held accountable for providing access to such equipment and include a provision in their agreements to ensure a contractual obligation. Ms. Catharine Hornby added that with respect to capital expenditures, it is particularly important to ensure the public benefit of each investment. Mr. Tim McGourthy then reminded Board members of the MLSC project to create an on-line inventory of all capital investments made by the MLSC to increase public awareness.

Upon a motion duly made, seconded and carried, the Board adopted the resolution to approve \$10,447,093 in funding from the Center's capital resources to fund the Competitive Capital finalists.

7. Women's Health Sector Strategy Update

Dr. Griffin provided an overview of the MLSC's Women's Health sector strategy, noting that the goals of the strategy are to advance women's health innovation by working with partners to increase visibility of the problem, create opportunity, and provide thought leadership for the Commonwealth in the sector. Dr. Griffin further shared the economic return goals that included public/private investment in the sector and attracting companies to establish in the state in the near term; longer-term goals aimed to improve quality of life for patients, decrease healthcare costs and reduce overall absenteeism in the workplace due to issues primarily affecting women. Dr. Griffin then informed Board members of a potential partnership and sponsorship opportunity with the Mary Horrigan Connors Center for Women's Health & Gender Biology of Brigham and Women's Hospital. They were planning the 2020 National Summit on Health of Women to be held November 13, 2020 at the Westin Copley in Boston. Details of the MLSC's participation include a seat on the advisory board and participation on the panel. Board members validated the partnership and value of the initiative while requesting further negotiations to reduce the MLSC's funding contribution. Dr. Griffin indicated that she would report back to the Board.

8. Innovation Challenges

Dr. Griffin provided a request to participate in the UMass Lowell M2D2 pitch competition, which provides early stage companies with benefits that include in-kind contributions and cash awards to participants. The proposal would allow an MLSC representative to be a judge and provide up to \$50,000 in cash awards to two life science finalists.

Upon a motion duly made, seconded and carried, the Board adopted the resolution to approve a total of \$50,000 in funding to support the M2D2 pitch competition.

9. MassNextGen Update

Dr. Griffin provided an update on the MassNextGen Program, a public-private partnership supporting women entrepreneurs in its third year. She then reminded the Board of the program benefits to the entrepreneurs which include non-dilutive grants, coaching sessions and visibility opportunities such as a Pitch of Their Own in the life science ecosystem. Dr. Griffin also announced the fourth and newest sponsorship partner Johnson & Johnson at a \$75,000 sponsorship level to be announced in June with the newest cohort and the Lieutenant Governor. Dr. Griffin shared details on the upcoming Pitch of Their Own event scheduled for March, invited the Board to attend, and indicated that Dr. Jackie Grant had agreed to be one of the judges. She then shared some of the success stories from the previous round awardees Olaris Inc. and Lucy Therapeutics which are gaining financial momentum and thriving in their fields with support from the program.

10. STEM District Grant FY20 Presentation and Vote

Ryan Mudawar, the Senior Director of Education & Workforce, presented on the Center's targeted approach for advancing STEM education in under-resourced schools in the following districts: Holyoke, Salem, Marlborough, Chelsea, Everett and Randolph. He noted that candidates for funding must be under resourced, in significant need of STEM equipment and teacher training, underperforming in STEM subjects, and serve populations of underrepresented and economically disadvantaged students.

Mr. Mudawar the provided an overview of the MLSC's STEM investments to date with nearly \$18 million in grant funding for 12,000 students in 200 public schools throughout Massachusetts. Mr. Mudawar also indicated that FY19 funding equals \$1 million in equipment from the Center's capital fund and \$145,000 from the investment fund for professional development.

Mr. Mudawar then shared the specifics of the Salem District grant with a proposal for \$88,932 to serve 2 middle and 3 high schools in the district with \$76,932 for equipment and supplies from the capital budget and \$12,000 for teacher professional development from the investment fund. He also noted that Salem received \$64,000 from the Norman H. Read Trust to support Project Lead The Way courses at Salem High School and to purchase middle school lab

supplies. Mr. Stuart Abelson urged greater funding for professional development for teachers, noting that funding in this area is often deficient and inadequate to meet the need.

Upon a motion duly made, seconded and carried, the Board adopted the resolution to approve a STEM District grant to Salem Public School District in the amount of \$76,932 in capital funding and \$12,000 in professional development training from the Center's Investment Fund for a total of \$88,932.

11. NIIMBL Quincy College Workforce Presentation and Vote

Mr. Mudawar presented a proposal to fund \$50,000 to Quincy College's Biotechnology & Good Manufacturing Practice program to participate in developing national standards for gene and cell therapy training. Mr. Mudawar explained that this would be the MLSC's cost share in connection with a national NIIMBL effort which would include upstream and downstream bio-manufacturing at the certificate and associates' level. The program would develop a workforce with required skills for entry-level positions with 98% of graduates being hired upon graduation.

Dr. Carla Reimold shared that industry partners were enthusiastic and supportive of investment in this training program, noting the difficulty of finding employees at this particular level with the right skill sets.

Upon a motion duly made, seconded and carried, the Board adopted the resolution to approve \$50,000 in capital funding to support the NIIMBL Quincy College workforce initiative.

12. Life Science Certifications

Ms. Cheryl Sadeli proposed Life Science Certifications for Konica Minolta and Dassault Systemes due to the acquisition of Invicro and Medidata, respectively, two prior Tax Incentive awardees. Ms. Sadeli noted the certifications are needed in order to fulfill MLSC's statute requiring parent companies of tax awardees be certified in order to continue to receive tax incentives after acquisitions.

Upon motions duly made, seconded and carried, the Board adopted the resolutions to approve both life science certifications.

Adjourn

Co-Chair Mark Fuller adjourned the meeting at 3:55 p.m.

List of Materials and Exhibits Used During Meeting:

- Board Agenda
- Minutes from December 11, 2019 Board Meeting
- Motion: to Approve December 11, 2019 Minutes
- Presentation of Seed Fund Investment
- Motion: Seed Fund Investment
- Presentation of Competitive Capital Call
- Motion: Competitive Capital Call
- Presentation Women's Health Sector Strategy
- Presentation of Innovation Challenges
- Motion: Innovation Challenges
- Presentation for MassNextGen Update
- Presentation STEM District Grant Award FY20
- Motion: STEM District Grant Award FY20
- Presentation NIIMBL: Quincy College Workforce Award
- Motion: NIIMBL: Quincy College Workforce Award
- Motion: Life Science Certifications