

Massachusetts Life Sciences Center

Seed Fund Informational Overview



Massachusetts
LIFE SCIENCES CENTER

The capital of scientific revolution.

Applicants and Investments

Eligible Applicants

- Pre-seed to early stage technologies in all major life sciences sectors
 - Diagnostics
 - Digital health/Bioinformatics
 - Medical devices
 - MedTech
 - Therapeutics
- Must not be raising or have raised a priced round

About the Investment

- Up to \$250,000 convertible notes
- Up to \$1M is available annually
 - Seeking 4-6 investments annually
- Short term debt instrument that converts to equity upon first priced round
- MLSC will not act as a lead investor, not pricing rounds

Attributes of the Convertible Note

At the time of investment, an applicant must:

- Be physically located in one of the Seed Fund geographies
 - Minimum of year-long lease required
- Employ at least one full-time Massachusetts employee
 - Majority of employees must be employed in MA
 - Detailed offer letter for new FTE or a recent paystub indicating full time pay for a MA employee must be produced
- Be incorporated and registered to do business in MA

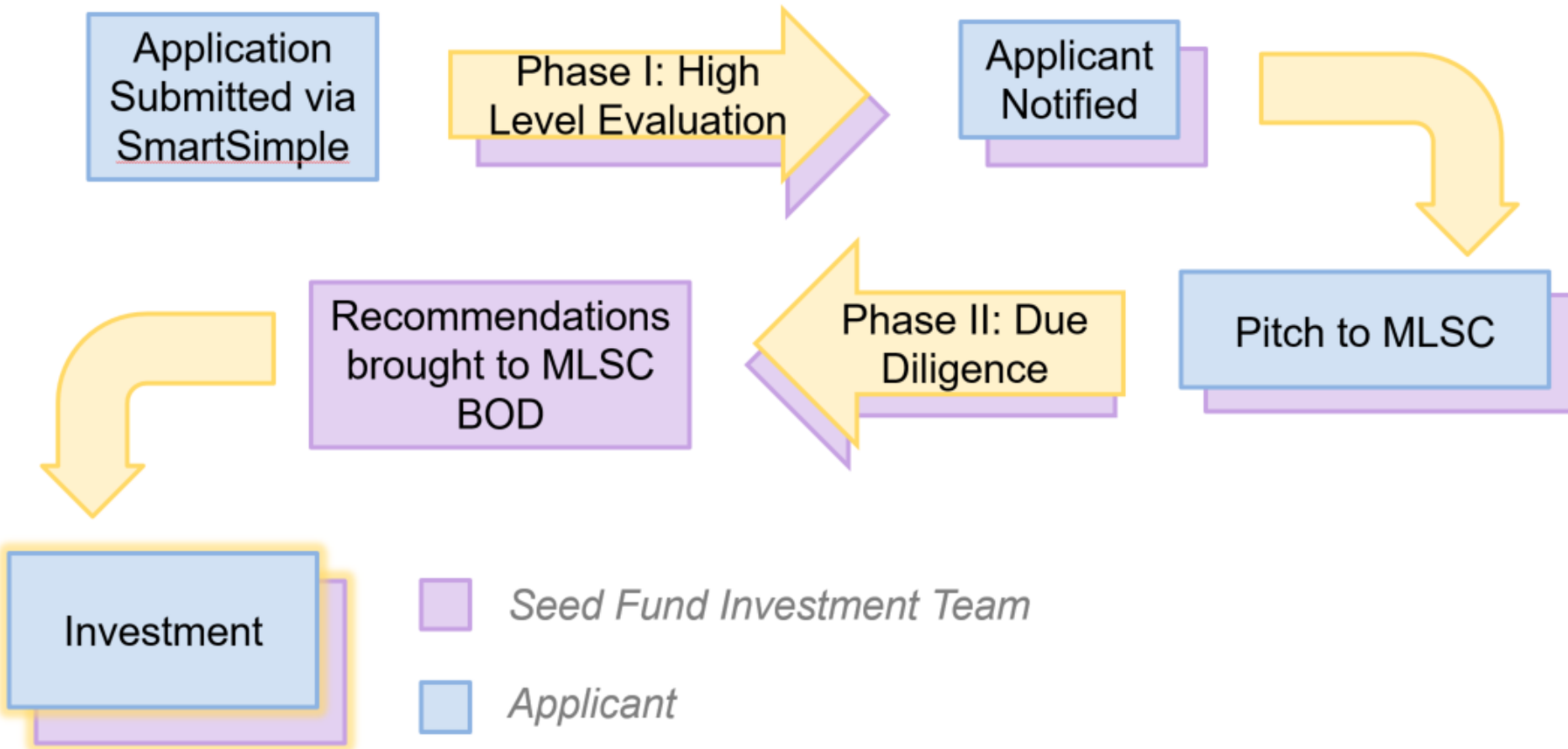
The MLSC reserves the right to include a Side Letter, to supplement language that may be absent from the Note Purchase Agreement. Common conditions include:

- Put Right to maintain a physical presence in a Seed Fund geography
 - Majority of employees employed in incentivized geography
 - Clawback provision if failure to meet the Put Right
 - Information rights
- Board Observer Role
- Participation rights
 - A right (but not an obligation) to purchase its Pro Rata Share of any Equity Securities
- Representations
 - Bad Actor clause
 - Reps and Warrants
 - MFN clause

Process

Applications will be accepted on a rolling basis.

Below is a high level outline of our program process from submission to investment.



Evaluation Criteria

An ideal awardee has the following characteristics:

- ✓ Addresses an unmet need for patients or healthcare systems
- ✓ Proprietary technology with clear value proposition
- ✓ Adequate proof of concept data to support technology value proposition
- ✓ Definable market opportunity including initial market and follow-on opportunities
- ✓ Realistic fundraising goals and timeline
- ✓ Understanding of appropriate near term milestones
- ✓ Dedicated team with plan to fill experience gaps
- ✓ Understanding of realistic pricing and appropriate reimbursement pathway
- ✓ Executable business model
- ✓ Interested or already committed early stage investments from government and/or angels