

OFFICE OF FINANCE PROGRAMS

INVESTMENT FINANCE GROUP  
(IFG)

ANNUAL FINANCIAL STATUS REPORT  
FISCAL YEAR 2012

Submitted by:

Maryland Department of Business and Economic Development

As of June 30, 2012

## INVESTMENT FINANCE GROUP (IFG)

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## **MARYLAND VENTURE FUND**

### **History and Program Description**

Maryland Venture Fund (“MVF”) activities began in 1994 through the establishment of the Enterprise Fund (“Fund”), authorized by the Maryland General Assembly in fiscal year 1993. The Fund was developed to make equity investments in “new” State enterprises. This initiative was enhanced to target investments in early stage, high technology companies experiencing difficulties attracting private sector investment dollars. Today, MVF activities are provided through five types of MVF activity described as: the Enterprise Investment Fund, the Challenge Investment Program, the Enterprise VCLP Fund, the Maryland/Israel Development Fund and the FIPS Certification Grant Program.

#### *Enterprise Investment Fund*

The Enterprise Investment Fund (“EIF”) is a State sponsored venture capital fund, wherein the State/Department of Business and Economic Development (“DBED” or “Department”) makes equity investments in early stage, high technology firms that are seeking outside venture capital for their “first” influx of meaningful investment dollars. The EIF seeks a minimum 3:1 outside investor co-match by a sophisticated investor. The maximum program equity percentage cannot exceed 25%. Historically, EIF investments have not exceeded \$500,000 per investment; however, in order to protect the State’s investment, in some cases more than \$500,000 has been invested in a single portfolio company over a number of years. Existing policy parameters centering around maximum investment limits will continue to be monitored given the need for continued support of economic development issues versus the migration of venture capital monies away from early stage investments.

A ten-member Advisory Board provides input for investment recommendations to the Secretary of DBED for final approval. DBED’s investments are termed for a maximum of 15 years and require the firm to retain its principal place of business within the State of Maryland for a period of not less than five years. If the firm moves outside the State, repayment of DBED’s investment, at cost or “fair market value”, whichever is higher is required.

#### *Challenge Investment Program*

The Challenge Investment Program (“CIP”) is a “seed” program designed to invest in high technology “start-up” firms. CIP requires that a recipient retain its principal place of business in Maryland for a period of not less than three years. Additionally, a recipient should have the potential to be an EIF consideration or an attractive equity investment within a two-year period. CIP requires a minimum 1:1 co-investor match.

Generally, CIP investments are ten-year agreements having two potential sources of repayment: one based on 2% of product sales in excess of \$500,000/year, and another based on 1% of the equity dollars raised in excess of \$500,000. Challenge agreements are reviewed annually and modified as appropriate to ensure compliance and promote a recipient’s graduation into the EIF. Investment amounts generally range from \$50,000 to \$150,000, with the first \$50,000 or \$100,000 provided based on the strength of the business plan itself, and with any subsequent investment based on predetermined milestones.

#### *Enterprise VCLP Fund*

The Enterprise Fund has invested \$11.425 million in ten (10) Venture Capital Limited Partnerships (VCLP’s) since fiscal year 1994. Additionally, there is \$1.05 million committed and available for capital calls by two of the VCLPs. The motivation to invest in these VCLP’s was to stimulate venture capital investments in Maryland. The Department recognizes the lack of venture capital participation in deals under \$10,000,000 and works closely with the venture capital community to connect Maryland based early-stage and technology companies with funding sources.

## **DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT**

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### *Maryland/Israel Development Fund (MIDF)*

Maryland and Israel entered an MOU to establish a Maryland/Israel international research and development fund in November 2004. Israel has similar international R&D funds at the national level with 20 countries including the United States, Canada, Britain, Finland, South Korea and Singapore.

Investments may range from \$100,000 to \$300,000, half from DBED for the Maryland company and half from the Ministry of Industry, Trade and Labor (“MOIT”) for the Israeli firm. The funds can only be used for the R&D expenses of the project. Company matching funds are required, equal to a minimum of fifty percent of total project costs. For products successful in the market, investments will be repaid with interest.

The mission of the MIDF is to encourage collaboration between Maryland and Israeli companies creating high technology products. Funding for this program will be provided in equal amounts by each government. Repayment will be made after the joint Maryland-Israel effort yields product revenues.

### *Maryland Federal Information Processing Standards (FIPS) Certification Grant Program*

In FY 2005, DBED initiated a program that would provide small grants to technology companies needing proper security certification to do business with the Federal Government. The Maryland Federal Information Processing Standards (“FIPS”) certification grant program will assist Maryland companies working to obtain FIPS 140-1 and FIPS 140-2 certification for encryption. DBED will also consider, on a case-by-case basis, assisting companies seeking certification for other FIPS standards (e.g., FIPS 197: Advanced Encryption Standard (AES) of November 2001).

Maryland-based companies with no more than 30 full-time employees and annual revenues that do not exceed \$5 million are eligible to apply for a FIPS certification grant. Once approved, the company may receive up to forty percent, not to exceed \$50,000, of the eligible costs involved in FIPS certification, such as consulting, engineering, and testing and evaluation fees, as well as other costs directly related to the certification process. Funding will be provided to the company once it has submitted expense reports relating to FIPS certification.

Grants through the FIPS certification grant program were initiated in FY06. One company has received FIPS funding based on expenses incurred in the certification process.

## **Performance of the Fund since Inception**

### *Enterprise Investment Fund*

The EIF has made investments in one hundred-seven (107) ventures through June 30, 2012 (including companies that were originally part of the CIP but have since “graduated” into the EIF). The cumulative costs of these investments are \$43.65 million since fiscal year 1994. As of the end of fiscal year 2012, twenty-five (25) ventures have “gone public” or been acquired by a publicly traded firm or a larger privately-held firm. The Maryland Venture Fund has exited through the sale of held securities and has received approximately \$64.8 million in returns. It is difficult to estimate the “Fair Market Value” (FMV) for the balance of DBED’s holdings due to the fact that these firms are still privately held. Taking a conservative approach in determining FMV using the FAS 157 guidelines, the FMV of the EIF portfolio has decreased from FY10 due to lack of capital for early stage companies to continue to finance their operations. The FMV totaled approximately \$12.8 million as of June 30, 2012 which includes investments in the VCLPs .

### *Challenge Investment Program*

The CIP has made investments in 174 companies since fiscal year 1994, the CIP's first "official" year of operation. Total investment through June 30, 2011 was approximately \$11.60 million. Of those 174 investments over 100 are still in business or have had some type of successful exit from the program. Given the high risks associated with "start-up" financing, the CIP's success rate is considered to be extremely high. Approximately forty-nine (49) firms have gone on to receive investment from the EIF, transition into the EIF via conversion into stock, trade publicly, or be acquired.

### *Enterprise VCLP Fund*

DBED has received a total of \$69,172 in distributions and interest from the partnerships in fiscal year 2012. In fiscal year 2011, \$89,410.91 was returned, and in fiscal year 2010, \$186,483 was returned.

### **Performance for Fiscal Year 2012**

During FY2012, twenty-nine (29) transactions were approved with thirteen (13) Tax Credit sales to insurance companies totaling \$84 million and sixteen (16) EIP investments totaling \$4,049,086. The majority of the EIP approvals for FY2012 were SSBCI deals of which there were eight (8) approved totaling \$2,749,086.

During FY 2012, EIF closed twenty-seven (27) transactions of which thirteen (13) were tax credit sales to insurance companies and fourteen (14) EIP investments for \$2,750,000. One of those investments was a \$300,000 conversion of a CIP investment into a EIP investment.

During FY2012, EIF received \$2.375M in distributions.

### **Projected Performance for Fiscal Year 2013**

As a result of several recent developments FY 2013 will see catalytic changes in how MVF operations. The Governor's InvestMaryland initiative resulted in a total of \$84 million being infused into the Enterprise Fund over a three year period. MVF is charged with executing on investment of \$54 million of the InvestMaryland dollars into other venture funds that in turn will invest that amount in Maryland. In addition, MVF will provide post-investment oversight of the venture fund investments. It is anticipated that most of the \$54 million will be committed by the end of the 2013 fiscal year. Investment returns will occur over the succeeding years and are required to be paid over the State's general fund.

MVF is also responsible for directly investing \$21.7 million of the InvestMaryland funds (which will be received over a three year period). MVF's pool of funds for direct investment was further augmented by monies received from the U.S. Treasury's State Small Business Credit Initiative ("SSBCI") and by an influx of proceeds from the sale of MVF portfolio. As a result, the total available for direct investments is approximately \$40 million. We expect to deploy those funds (invested and reserved for follow-ons) over the next three fiscal years. Investment returns on InvestMaryland direct investments will occur over the succeeding years and are available to be re-invested by MVF into new investments.

The MVF's portfolio maintenance requirements have continued to grow as the portfolio of companies has steadily increased. The investment oversight is of paramount importance in the CIP, and to a lesser degree in the EIF investments due to the monitoring services offered by the co-investors. Additionally, historically the program has considered over 250 companies annually for CIP or EIF funding.

## **DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT**

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With respect to current VCLPs in the Fund's portfolio, it is anticipated that the VCLP investments made before 2000 are close to the end of their expected lives and, accordingly, a declining number of distributions of stock/cash to the limited partners, including DBED, are expected.

Lastly, during fiscal year 2013 MVF will substantially increase its staff capacity with the addition of four investment professionals including a Managing Director of Equity Funds, two Principals, and an Investment Analyst.

# Approved Report

7/1/2011 Through 6/30/2012

<i>Approved Date</i>	<i>Client Name</i>	<i>Loan</i>	<i>Loan Amount</i>	<i>Guarantor Percentage</i>	<i>Loan Guarantee</i>	<i>County</i>	<i>Total Project Costs</i>	<i>Trainees</i>	<i>New</i>	<i>Retained</i>
								<i>Pro /</i>	<i>Actual</i>	<i>Jobs</i>
<i>Enterprise Inv. Fund</i>										
1/17/2012	Curiosityville LLC	13300101	\$150,000.00	0.0%	\$0.00	Baltimore County	\$600,000.00	N/A	20	1
1/26/2012	TRX Systems, Inc.	8600201	\$150,000.00	0.0%	\$0.00	Howard	\$625,000.00	N/A	7	15
2/22/2012	3Clogic, Inc.	4500501	\$100,000.00	0.0%	\$0.00	Montgomery	\$1,250,000.00	N/A	20	9
3/26/2012	InstantLabs Medical Diagnostics	13690101	\$150,000.00	0.0%	\$0.00	Baltimore City	\$875,000.00	N/A	5	7
4/24/2012	Bambeco LLC	12320201	\$200,000.00	0.0%	\$0.00	Baltimore City	\$1,200,000.00	N/A	15	11
5/29/2012	JobOn Inc.	13870101	\$150,000.00	0.0%	\$0.00	Anne Arundel	\$300,000.00	N/A	14	5
<b>Totals:</b>		<b>6 Loans</b>	<b>\$900,000.00</b>		<b>\$0.00</b>		<b>\$4,850,000.00</b>	<b>0</b>	<b>81</b>	<b>48</b>
<i>COV Challenge to Enterprise</i>										
8/23/2011	Sequella, Inc.	4930301	\$300,000.00	0.0%	\$0.00	Montgomery	\$300,000.00	N/A	0	0
1/26/2012	TRX Systems, Inc.	8600202	\$100,000.00	0.0%	\$0.00	Howard	\$0.00	N/A	0	0
<b>Totals:</b>		<b>2 Loans</b>	<b>\$400,000.00</b>		<b>\$0.00</b>		<b>\$300,000.00</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Enterprise/SSBCI</i>										
9/23/2011	BrainScope Company, Inc.	12990101	\$250,000.00	0.0%	\$0.00	Montgomery	\$6,500,000.00	N/A	50	18
10/18/2011	Vorbeck Materials Corp.	7060501	\$500,000.00	0.0%	\$0.00	Howard	\$5,000,000.00	N/A	31	23
10/19/2011	Geostellar, Inc.	13120101	\$300,000.00	0.0%	\$0.00	Montgomery	\$6,000,000.00	N/A	65	10
12/21/2011	ClearPath, Inc.	13310101	\$250,000.00	0.0%	\$0.00	Montgomery	\$2,000,000.00	N/A	33	7
1/17/2012	Optoro, Inc./ Moore OR Lesh, LLC	11670301	\$300,000.00	0.0%	\$0.00	Prince	\$7,000,000.00	N/A	91	52
4/23/2012	Koolspan, Inc.	4740301	\$150,000.00	0.0%	\$0.00	Montgomery	\$8,000,000.00	N/A	30	19
6/1/2012	Akonni Biosystems, Inc.	5820801	\$500,000.00	0.0%	\$0.00	Frederick	\$25,500,000.00	N/A	2	38
6/26/2012	Zero Chroma LLC	13950101	\$499,086.00	0.0%	\$0.00	Carroll	\$1,000,000.00	N/A	12	2
<b>Totals:</b>		<b>8 Loans</b>	<b>\$2,749,086.00</b>		<b>\$0.00</b>		<b>\$61,000,000.00</b>	<b>0</b>	<b>314</b>	<b>169</b>

**DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT**

<i>Approved Date</i>	<i>Client Name</i>	<i>Loan</i>	<i>Loan Amount</i>	<i>Guarantor Percentage</i>	<i>Loan Guarantee</i>	<i>County</i>	<i>Total Project Costs</i>	<i>Trainees Pro / Actual</i>	<i>New Retained Jobs</i>	<i>Jobs</i>
<i>InvestMD Recipient</i>										
3/15/2012	Agency Insurance Company of	13610201	\$840,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Medical Mutual Liability Insurance	13610202	\$8,400,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Metropolitan Life Insurance	13610203	\$18,900,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	New York Life Insurance Company	13610204	\$8,400,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Selective Insurance Group, Inc.	13610205	\$4,200,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Travelers Property Casualty	13610206	\$735,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Great Northern Insurance Company	13610207	\$1,680,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Government Employees Insurance	13610208	\$4,116,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	The Hartford Financial Services	13610209	\$29,400,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Injured Worker's Insurance Fund	13610210	\$840,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Federal Insurance Company	13610211	\$5,124,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Travelers Casualty and Surety	13610212	\$420,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	The Travelers Home and Marine	13610213	\$945,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
<b>Totals:</b>		<b>13 Loans</b>	<b>\$84,000,000.00</b>		<b>\$0.00</b>		<b>\$0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Totals:</b>		<b>29 Loans</b>	<b>\$88,049,086.00</b>		<b>\$0.00</b>		<b>\$66,150,000.00</b>	<b>0</b>	<b>395</b>	<b>217</b>

# Settled Report

7/1/2011 Through 6/30/2012

<i>Settled Date</i>	<i>Client Name</i>	<i>Loan</i>	<i>Loan Amount</i>	<i>Guarantor Percentage</i>	<i>Loan Guarantee</i>	<i>County</i>	<i>Total Project Costs</i>	<i>Trainees New</i>	<i>Retained</i>	<i>Jobs</i>	<i>Jobs</i>
<i>Enterprise Inv. Fund</i>											
7/14/2011	Optoro, Inc./ Moore OR Lesh, LLC	11670201	\$50,000.00	0.0%	\$0.00	Prince	\$1,050,000.00	N/A	0	0	
7/25/2011	410 Labs, Inc.	12630101	\$100,000.00	0.0%	\$0.00	Montgomery	\$400,000.00	N/A	8	3	
8/16/2011	Cognapse, LLC	12640101	\$100,000.00	0.0%	\$0.00	Baltimore County	\$250,000.00	N/A	12	3	
2/23/2012	TRX Systems, Inc.	8600201	\$150,000.00	0.0%	\$0.00	Howard	\$625,000.00	N/A	7	15	
3/14/2012	Curiosityville LLC	13300101	\$150,000.00	0.0%	\$0.00	Baltimore County	\$600,000.00	N/A	20	1	
3/28/2012	3Clogic, Inc.	4500402	\$100,000.00	0.0%	\$0.00	Montgomery	\$0.00	N/A	0	0	
4/20/2012	3Clogic, Inc.	4500501	\$100,000.00	0.0%	\$0.00	Montgomery	\$1,250,000.00	N/A	20	9	
5/14/2012	Bambeco LLC	12320201	\$200,000.00	0.0%	\$0.00	Baltimore City	\$1,200,000.00	N/A	15	11	
	<b>Totals:</b>	<b>8 Loans</b>	<b>\$950,000.00</b>		<b>\$0.00</b>		<b>\$5,375,000.00</b>	<b>0</b>	<b>82</b>	<b>42</b>	
<i>COV Challenge to Enterprise</i>											
8/23/2011	Sequella, Inc.	4930301	\$300,000.00	0.0%	\$0.00	Montgomery	\$300,000.00	N/A	0	0	
	<b>Totals:</b>	<b>1 Loan</b>	<b>\$300,000.00</b>		<b>\$0.00</b>		<b>\$300,000.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<i>Enterprise/SSBCI</i>											
11/15/2011	BrainScope Company, Inc.	12990101	\$250,000.00	0.0%	\$0.00	Montgomery	\$6,500,000.00	N/A	50	18	
12/16/2011	Vorbeck Materials Corp.	7060501	\$500,000.00	0.0%	\$0.00	Howard	\$5,000,000.00	N/A	31	23	
1/25/2012	Geostellar, Inc.	13120101	\$300,000.00	0.0%	\$0.00	Montgomery	\$6,000,000.00	N/A	65	10	
3/13/2012	Optoro, Inc./ Moore OR Lesh, LLC	11670301	\$300,000.00	0.0%	\$0.00	Prince	\$7,000,000.00	N/A	91	52	
6/22/2012	Koolspan, Inc.	4740301	\$150,000.00	0.0%	\$0.00	Montgomery	\$8,000,000.00	N/A	30	19	
	<b>Totals:</b>	<b>5 Loans</b>	<b>\$1,500,000.00</b>		<b>\$0.00</b>		<b>\$32,500,000.00</b>	<b>0</b>	<b>267</b>	<b>122</b>	
<i>InvestMD Recipient</i>											
3/15/2012	Agency Insurance Company of	13610201	\$840,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	
3/15/2012	Medical Mutual Liability Insurance	13610202	\$8,400,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	
3/15/2012	Metropolitan Life Insurance	13610203	\$18,900,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	
3/15/2012	New York Life Insurance Company	13610204	\$8,400,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	
3/15/2012	Selective Insurance Group, Inc.	13610205	\$4,200,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	
3/15/2012	Travelers Property Casualty	13610206	\$735,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	
3/15/2012	Great Northern Insurance Company	13610207	\$1,680,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	

**DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT**

<i>Settled Date</i>	<i>Client Name</i>	<i>Loan</i>	<i>Loan Amount</i>	<i>Guarantor Percentage</i>	<i>Loan Guarantee</i>	<i>County Costs</i>	<i>Total Project Pro / Actual</i>	<i>Trainees Jobs</i>	<i>New Jobs</i>	<i>Retained Jobs</i>
3/15/2012	Government Employees Insurance	13610208	\$4,116,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	The Hartford Financial Services	13610209	\$29,400,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Injured Worker's Insurance Fund	13610210	\$840,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Federal Insurance Company	13610211	\$5,124,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Travelers Casualty and Surety	13610212	\$420,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	The Travelers Home and Marine	13610213	\$945,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
<b>Totals:</b>		<b>13 Loans</b>	<b>\$84,000,000.00</b>		<b>\$0.00</b>		<b>\$0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Totals:</b>		<b>27 Loans</b>	<b>\$86,750,000.00</b>		<b>\$0.00</b>		<b>\$38,175,000.00</b>	<b>0</b>	<b>349</b>	<b>164</b>

# Approved Report

7/1/2011 Through 6/30/2012

<i>Approved Date</i>	<i>Client Name</i>	<i>Loan</i>	<i>Loan Amount</i>	<i>Guarantor Percentage</i>	<i>Loan Guarantee</i>	<i>County</i>	<i>Total Project Costs</i>	<i>Trainees</i>	<i>New</i>	<i>Retained</i>
								<i>Pro /</i>	<i>Actual</i>	<i>Jobs</i>
<i>InvestMD Recipient</i>										
3/15/2012	Agency Insurance Company of	13610201	\$840,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Medical Mutual Liability Insurance	13610202	\$8,400,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Metropolitan Life Insurance	13610203	\$18,900,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	New York Life Insurance Company	13610204	\$8,400,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Selective Insurance Group, Inc.	13610205	\$4,200,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Travelers Property Casualty	13610206	\$735,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Great Northern Insurance Company	13610207	\$1,680,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Government Employees Insurance	13610208	\$4,116,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	The Hartford Financial Services	13610209	\$29,400,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Injured Worker's Insurance Fund	13610210	\$840,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Federal Insurance Company	13610211	\$5,124,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	Travelers Casualty and Surety	13610212	\$420,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
3/15/2012	The Travelers Home and Marine	13610213	\$945,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0
<b>Totals:</b>		<b>13 Loans</b>	<b>\$84,000,000.00</b>		<b>\$0.00</b>		<b>\$0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Totals:</b>		<b>13 Loans</b>	<b>\$84,000,000.00</b>		<b>\$0.00</b>		<b>\$0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>

# Settled Report

7/1/2011 Through 6/30/2012

<i>Settled Date</i>	<i>Client Name</i>	<i>Loan</i>	<i>Loan Amount</i>	<i>Guarantor Percentage</i>	<i>Loan Guarantee</i>	<i>County</i>	<i>Total Project Costs</i>	<i>Trainees New</i>	<i>Retained Actual</i>	<i>Jobs</i>	<i>Jobs</i>
<i>InvestMD Recipient</i>											
3/15/2012	Agency Insurance Company of	13610201	\$840,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	0
3/15/2012	Medical Mutual Liability Insurance	13610202	\$8,400,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	0
3/15/2012	Metropolitan Life Insurance	13610203	\$18,900,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	0
3/15/2012	New York Life Insurance Company	13610204	\$8,400,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	0
3/15/2012	Selective Insurance Group, Inc.	13610205	\$4,200,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	0
3/15/2012	Travelers Property Casualty	13610206	\$735,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	0
3/15/2012	Great Northern Insurance Company	13610207	\$1,680,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	0
3/15/2012	Government Employees Insurance	13610208	\$4,116,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	0
3/15/2012	The Hartford Financial Services	13610209	\$29,400,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	0
3/15/2012	Injured Worker's Insurance Fund	13610210	\$840,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	0
3/15/2012	Federal Insurance Company	13610211	\$5,124,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	0
3/15/2012	Travelers Casualty and Surety	13610212	\$420,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	0
3/15/2012	The Travelers Home and Marine	13610213	\$945,000.00	0.0%	\$0.00	Multiple	\$0.00	N/A	0	0	0
<b>Totals:</b>		<b>13 Loans</b>	<b>\$84,000,000.00</b>		<b>\$0.00</b>		<b>\$0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Totals:</b>		<b>13 Loans</b>	<b>\$84,000,000.00</b>		<b>\$0.00</b>		<b>\$0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>