



September 28, 2017

Mr. Daniel Timberlake
Director
Department of Planning and Budget
1111 East Broad Street, Room 5040
Richmond, Virginia 23219-3418

Dear Mr. Timberlake:

Enclosed please find the fourth Quarterly Report for FY2017 for the Center for Innovative Technology. The attached report fulfills the requirements of the Code of Virginia, §2.2-2221.1.C.1-3 (includes reporting requirements of Item 428.D.2 of the 2017 Appropriations Act).

Please feel free to call me at 703-689-3021 if you have any questions.

Sincerely,

Tammy Ramsey
Controller
Center for Innovative Technology

cc: Mr. Brian Logwood, Associate Director, Department of Planning and Budget
Mr. Jason Saunders, Budget and Policy Analyst, Department of Planning and Budget



September 28, 2017

The Honorable Thomas K. Norment, Jr.
Co-Chairman, Senate Finance Committee
Senate of Virginia
P.O. Box 396, Room 626
Richmond, Virginia 23218

Dear Chairman Norment:

Enclosed please find the fourth Quarterly Report for FY2017 for the Center for Innovative Technology. The attached report fulfills the requirements of the Code of Virginia, §2.2-2221.1.C.1-3 (includes reporting requirements of Item 428.D.2 of the 2017 Appropriations Act).

Please feel free to call me at 703-689-3021 if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Tammy Ramsey". The signature is written in a cursive, flowing style.

Tammy Ramsey
Controller
Center for Innovative Technology

cc: Ms. Betsey Daley, Staff Director, Senate Finance Committee



September 28, 2017

The Honorable Emmett W. Hanger, Jr.
Co-Chairman, Senate Finance Committee
Senate of Virginia
P.O. Box 396, Room 326
Richmond, Virginia 23218

Dear Chairman Hanger:

Enclosed please find the fourth Quarterly Report for FY2017 for the Center for Innovative Technology. The attached report fulfills the requirements of the Code of Virginia, §2.2-2221.1.C.1-3 (includes reporting requirements of Item 428.D.2 of the 2017 Appropriations Act).

Please feel free to call me at 703-689-3021 if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Tammy Ramsey".

Tammy Ramsey
Controller
Center for Innovative Technology

cc: Ms. Betsey Daley, Staff Director, Senate Finance Committee



September 28, 2017

The Honorable S. Chris Jones
Chairman, House Appropriations Committee
General Assembly Building
P.O. Box 406, Room 948
Richmond, Virginia 23218

Dear Chairman Jones:

Enclosed please find the fourth Quarterly Report for FY2017 for the Center for Innovative Technology. The attached report fulfills the requirements of the Code of Virginia, §2.2-2221.1.C.1-3 (includes reporting requirements of Item 428.D.2 of the 2017 Appropriations Act).

Please feel free to call me at 703-689-3021 if you have any questions.

Sincerely,

Tammy Ramsey
Controller
Center for Innovative Technology

cc: Mr. Robert P. Vaughn, Staff Director, House Appropriations Committee



September 28, 2017

The Honorable Karen R. Jackson
Secretary of Technology
Patrick Henry Building
1111 East Broad Street, 4th Floor
Richmond, Virginia 23219

Dear Secretary Jackson:

Enclosed please find the fourth Quarterly Report for FY2017 for the Center for Innovative Technology. The attached report fulfills the requirements of the Code of Virginia, §2.2-2221.1.C.1-3 (includes reporting requirements of Item 428.D.2 of the 2017 Appropriations Act).

Please feel free to call me at 703-689-3021 if you have any questions.

Sincerely,

Tammy Ramsey
Controller

Center for Innovative Technology

cc: Mr. Michael Steed, CIT Chairman of the Board
Mr. Bernard Mustafa, CIT BOB Finance Committee Chair

CENTER FOR INNOVATIVE TECHNOLOGY
And
INNOVATION AND ENTREPRENEURSHIP INVESTMENT AUTHORITY
Financial Performance Reporting
Quarter and Fiscal Year Ended June 30, 2017
Items 428.D.2.a-c



Item 428.D.2.a

Fiscal Year 2017 Quarter 4
June 30, 2017

Financial Performance

CENTER FOR INNOVATIVE TECHNOLOGY
BUDGET ANALYSIS
 For the Fiscal Year ended June 30, 2017

Operations Funded by VA Appropriation & Other Revenue		In thousands		
		ACTUAL - Fiscal Year 2017		
		Actual	Budget	Variance
Revenue				
Transfer from IEIA - Virginia Appropriation		\$ 11,401	11,538	\$ (137)
Interest & Miscellaneous Revenue		3,076	505	2,571
Total Revenue		14,477	12,043	2,434
Program Expenses				
R&D - Commonwealth R&T Strategic Roadmap		47	54	(7)
R&D - CRCF		3,637	3,371	266
R&D - Innovative Metrics		48	50	(2)
Entrepreneur - Federal Proposal Assistance		172	304	(132)
Entrepreneur - GAP		4,223	4,846	(623)
Connect - Commonwealth Consulting & Education		38	-	38
Broadband - Office of Telework Promotion & Deployment		11	18	(7)
Broadband Planning and Assistance		691	591	100
Cyber Security Assessment		66	-	66
Regional Growth		210	187	23
Cyber Security Commission		581	67	514
Unmanned Systems		216	45	171
Unmanned Center of Excellence and Accelerator		222	-	222
MACH37		1,525	1,200	325
Information Sharing and Analysis Organization		303	312	(9)
Building Management		41	-	41
Total Program Expenses		12,031	11,045	986
Other Expenses				
Commonwealth Support, Marketing, Advocacy, Fundraising, Misc.		285	532	(247)
Indirects Unapplied (Over-applied)-Projects and Transfers		49	(412)	461
Total Other Expenses		334	120	214
Net Operations Funded by VA Appropriation & Other Revenue		2,112	878	1,234

Operations Funded by Contracts & Grants				
R&D				
Program Revenue - Rutgers - Mid-Atlantic Reg Coastal Obs System		87	66	21
Program Expense		87	66	21
Profit/(Loss)		-	-	-
Entrepreneur				
Program Revenue - State Small Business Credit Initiative Fund		275	-	275
Program Expense		275	-	275
Profit/(Loss)		-	-	-
Program Revenue - SBA FAST VI		87	-	87
Program Expense		87	-	87
Profit/(Loss)		-	-	-
Program Revenue - DMME Commonwealth Energy Fund		44	287	(243)
Program Expense		121	287	(166)
Profit/(Loss)*		(77)	-	(77)

*covered by return on investment proceeds received in FY2016

Operations Funded by VA Appropriation & Other Revenue

In thousands

ACTUAL - Fiscal Year 2017

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
CONTINUED:			
Connect			
Program Revenue - DHS PNNL Accelerator Emerge 2016	500	810	(310)
Program Expense	493	799	(306)
Profit/(Loss)	7	11	(4)
Program Revenue - Nevada Operations & Maintenance	717	719	(2)
Program Expense	676	646	30
Profit/(Loss)	41	73	(32)
Program Revenue - Smart City Actuator	188	-	188
Program Expense	172	-	172
Profit/(Loss)	16	-	16
Program Revenue - Data Science	2	-	2
Program Expense	2	-	2
Profit/(Loss)	-	-	-
Broadband			
Program Revenue - VDEM SLIGP	1	359	(358)
Program Expense	1	359	(358)
Profit/(Loss)	-	-	-
Other Activities			
Program Revenue - New Business	-	805	(805)
Program Expense	-	750	(750)
Profit/(Loss)	-	55	(55)
Program Revenue	1,901	3,046	(1,145)
Program Expenses	1,914	2,907	(993)
Net Operations Funded by Contracts & Grants	(13)	139	(152)
CONSOLIDATED REVENUE & EXPENSES			
Revenue	16,378	15,089	1,289
Expenses	14,279	14,072	207
Change in Net Position	2,099	1,017	1,082
CHANGE IN NET ASSETS			
Change in Net Position	2,099	1,017	1,082
Beginning Net Position at July 1, 2016	6,974	6,261	713
Ending Net Position at June 30, 2017	\$ 9,073	\$ 7,278	\$ 1,795

INNOVATION AND ENTREPRENEURSHIP INVESTMENT AUTHORITY
BUDGET ANALYSIS FOR BUILDING OPERATIONS ONLY
For the Fiscal Year Ended June 30, 2017

BUILDING ANALYSIS	In thousands		
	ACTUAL - Fiscal Year 2017		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUE			
Rental Income - lease revenue	\$ 1,583	1,620	\$ (37)
Total Revenue	<u>1,583</u>	<u>1,620</u>	<u>(37)</u>
BUILDING EXPENSES			
Payroll	275	287	(12)
Utilities	373	432	(59)
Administrative	141	144	(3)
Operating & Maintenance	81	152	(71)
Contracts	411	426	(15)
Insurance	100	100	-
Food Service Subsidy	60	44	16
Leasing Commission and Miscellaneous	46	33	13
Total Expenses	<u>1,487</u>	<u>1,618</u>	<u>(131)</u>
Net Income	<u>\$ 96</u>	<u>\$ 2</u>	<u>\$ 94</u>

Item 428.D.2.b

Fiscal Year 2017 Quarter 4
June 30, 2017

Investments & Grants

Center for Innovative Technology

Investments Made and Returns on Prior Investments - FY17

	Investments FY2017	Budget FY2017	Variance
<u>Investments made July 1, 2016 - June 30, 2017</u>			
418 Intelligence Corp.	\$ 100,000		
Adlumin, Inc.	49,000		
AdutomatedDL, Inc.	49,000		
Aida Health, Inc.	50,000		
Atomic Corporate Industries, Inc.	100,000		
BroadBridge Networks, Inc.	49,000		
Bthere, Inc.	50,000		
Contraline, Inc.	125,000		
Coulomb, Inc.	50,000		
Dark ³	100,000		
Ekran Systems, Inc.	49,000		
Eunomics, Inc.	100,000		
Hilltop Security, Inc.	80,000		
INF Robotics	20,000		
Intelligence Framework, Inc.	49,000		
MarginEdge	100,000		
NeoEyed, Inc.	49,000		
NS8, Inc.	49,000		
Qrvery, Inc.	100,000		
Riogin, LLC	75,002		
SCRIYB	100,000		
Secure Home, Inc.	49,000		
Senseware, Inc.	100,000		
Shevirah, Inc.	100,000		
South49 Solutions	50,000		
Steel Mountain Systems Corporation	49,000		
Threatquotient, Inc.	90,000		
Threatswitch, Inc.	49,000		
Triblio, Inc.	100,000		
Trovolone, Inc.	49,000		
TypeZero Technologies, Inc.	100,000		
Upside Door Inc.	50,000		
Zoomph, Inc.	100,000		
	<u>\$ 2,379,002</u>	\$ 1,650,000	\$ 729,002
	<u>Amount</u>		
<u>Return on Prior Investments FY2017</u>			
Airside Mobile, Inc. -Note repayment + interest	\$ 170,299		
CardKill, Inc. -through M37 Equity Pool, LLC	8,615		
Cyber Algorithms, Inc. - through M37 Equity Pool, LLC	28,554		
DataRPM, Inc. - Acquisition Distribution	279,086		
Encore, Inc. -Acquisition Distribution	34,257		
EVS Glaucoma, Inc. - note repayment	50,000		
ID.ME, Inc. - interest rolled into investment	27,836		
Invincea, Inc. - Acquisition Distribution	452,825		
MomentSnap, Inc. - interest rolled into investment	5,293		
NBE Technologies, Inc. -Note repayment	20,000		
Neoantigenics, Inc. -Acquisition Distribution	87,794		
Senseware, Inc. - interest rolled into investment	9,118		
	<u>\$ 1,173,677</u>		
<u>Other Gains (Losses) FY2017</u>			
Realized gain on Agenus, Inc. stock sale	\$ 16,955		
Gain on transfer of equity from CIT to M37 Carried Interest, LLC (M37 CI) M37 CI, a subsidiary of CIT, holds the MACH37 Cyber Accelerator portfolio company equity for cohorts from July 1, 2016 through June 30, 2017	539,000		
Unrealized gain on investment in M37 Carried Interest, LLC	84,281		
Realized loss on investment in M37 Carried Interest, LLC	(4,523)		
Unrealized gain on investment in M37 Equity Pool, LLC (M37 EP) M37 EP, a subsidiary of CIT, holds the MACH37 Cyber Accelerator portfolio company equity for cohorts through June 30, 2016	456,865		
Realized loss on investment in M37 Equity Pool, LLC	(207,065)		
	<u>\$ 885,513</u>		
<u>CRCF Grants awarded FY2017</u>	See attached		

**CENTER FOR INNOVATIVE TECHNOLOGY
FY2017 CRCF Award Detail**

Organization Name	Project Title	Project Start Date	Project End Date	Award Amount
418 Intelligence Corp.	<i>Development of a Reusable Cyber Tournament Module for Competition Based Analyst Skills Development</i>	07/10/2017	10/27/2017	\$50,000
Acomhal Research, Inc.	<i>Development of Biodegradable Nanoparticles Encapsulating a Novel Therapeutic Peptide to Eradicate Glioblastoma Cancer Stem Cells</i>	07/01/2017	06/30/2018	\$50,000
Altede LLC	<i>Altede--Allergy Test Development: Fast, Easy and Affordable Tests For Food Allergens, Starting With Gluten</i>	06/19/2017	01/19/2018	\$50,000
Arcus Analytics	<i>An Integrated Data Management Platform for Maintaining Civil Infrastructure</i>	07/01/2017	12/31/2017	\$49,909
BEM Controls	<i>An Agent-based Self-learning System for Efficient Building Operations and Automated Participation in Electricity Markets</i>	07/01/2017	12/31/2017	\$49,650
Cerillo, LLC	<i>Improvement of a Miniaturized Multiwell Plate Reader</i>	08/01/2017	03/01/2018	\$50,000
College of William and Mary	<i>Manufacturing of Boron Nitride Nanotube-Based Thermal Management Materials for High-Performance Electronics</i>	07/01/2017	06/30/2018	\$100,000
Contraline, Inc.	<i>Development of a Photoreversible, Vas-Occlusive Male Contraceptive</i>	07/01/2017	06/01/2018	\$50,000
Counter-Drone Research Corporation	<i>Rogue UAS Detection and Interdiction - Mobile Prototype Development</i>	07/01/2017	06/30/2018	\$50,000
dbS Productions LLC	<i>Integration of Enhanced UAV Sensor Sweep Widths With Search & Rescue Find Software</i>	07/01/2017	07/01/2018	\$50,000
DHK Storage, LLC	<i>Data Center Power Efficiency and Cooling</i>	06/16/2017	03/31/2018	\$50,000
Eastern Virginia Medical School	<i>Screening for Safe Biochemical Methods to Induce Expression of Tissue Repair Protein</i>	07/01/2017	06/30/2018	\$100,000
ElectraWatch, Inc.	<i>Field Probe to Measure Degree of Sensitization (DoS) of 5XXX Aluminum Alloys</i>	07/03/2017	06/29/2018	\$50,000
Excavation Alert Systems, LLC.	<i>SignalTape Utility Protection System</i>	07/03/2017	06/29/2018	\$25,000
FluxTeq LLC	<i>Inexpensive BTU Meter Used to Increase Building Energy Efficiency</i>	07/01/2017	06/30/2018	\$46,650
George Mason University	<i>Recruiting Eminent Bioengineering Researcher</i>	07/01/2017	06/30/2019	\$250,000
George Mason University	<i>A Multiplexing Photoacoustic Theranostic System for Treatment of Breast Cancer</i>	06/16/2017	12/31/2018	\$99,989
George Mason University	<i>Development Of DRGN1, a Komodo Dragon-Inspired Peptide for Wound Care</i>	07/01/2017	06/30/2018	\$100,000
Ghodousi, LLC	<i>Assistive Digital Vision for the Blind</i>	07/01/2017	12/31/2017	\$49,940
GreenOps Ammo Inc.	<i>Commercialization of Environmentally Benign Shotgun Ammunition</i>	06/16/2017	12/31/2017	\$49,600
Land Design Technologies LLC	<i>Storm Quality Quantity Toolset (Storm Q2) Software Development</i>	07/01/2017	06/30/2018	\$50,000
metallum3d Inc.	<i>Microwave Densification for Metal 3D Printing</i>	06/16/2017	12/31/2017	\$50,000

**CENTER FOR INNOVATIVE TECHNOLOGY
FY2017 CRCF Award Detail**

Organization Name	Project Title	Project Start Date	Project End Date	Award Amount
NanoSafe Inc.	<i>Mobile Analytical Platform for Lead Detection in Drinking Water</i>	06/16/2017	04/16/2018	\$50,000
RTM Vaccines	<i>Human Lyme Vaccine Proof of Concept for Commercial Development</i>	06/16/2017	06/15/2018	\$50,000
Service Robotics & Technologies	<i>SRT's Map-based Facility Management System for Robots and Smart Devices</i>	06/16/2017	05/31/2018	\$50,000
Sonotherm LLC	<i>Energy Efficient, Ductless HVAC System using Thermoacoustic Technology</i>	06/16/2017	03/15/2018	\$49,466
SoundPipe LLC	<i>Enhanced Drug Delivery With GUIDE-Tx and Microbubbles</i>	07/01/2017	01/01/2018	\$50,000
Spheringenics, Inc.	<i>Product Development for a Sustained Release Biologic Delivery System</i>	07/01/2017	07/01/2018	\$50,000
Spheringenics, Inc.	<i>Sustained Release Delivery System for Treatment of Chronic Wounds</i>	07/01/2017	07/01/2018	\$50,000
Springbok, Inc.	<i>A Non-Invasive Image-Based Skeletal Muscle Analytics Tool</i>	06/16/2017	06/15/2018	\$50,000
SynaptiCAD	<i>Commercialization of Blockchain Technologies</i>	10/1/2017	3/31/2018	\$49,783
TruWeather Solutions	<i>Micro Road Weather Data to Accelerate Fielding of Autonomous Transportation Vehicle</i>	07/01/2017	06/30/2018	\$50,000
Ultrasonic Probe LLC	<i>Periodontal Probe based on Ultrasound Technology</i>	06/16/2017	12/31/2017	\$25,000
University of Virginia	<i>Development of a Device to Improve Lithium-Ion Battery Reliability</i>	07/01/2017	06/30/2018	\$100,000
University of Virginia	<i>High-Bandwidth Line-Speed Network-Processing Framework</i>	07/01/2017	06/30/2018	\$100,000
University of Virginia	<i>Fiber-Optic Based Thermoreflectance and Optical Property Measurement System</i>	07/01/2017	06/30/2018	\$100,000
Virginia Commonwealth University	<i>Dual Function Anti-Metastatic Agents for Triple Negative Breast Cancer Treatment</i>	07/01/2017	06/30/2018	\$100,000
Virginia Commonwealth University	<i>Development of Highly Efficient Materials for the Conversion of Solar Energy into Heat for Domestic Water Heating and Solar Water Desalination</i>	07/01/2017	06/30/2018	\$100,000
Virginia Institute of Marine Science, College of William & Mary	<i>An Innovative Mechanism for Reducing Nitrogen and Phosphorus inputs to Virginia Waters</i>	06/16/2017	06/15/2018	\$99,450
Virginia Tech	<i>Computed Tomography Without Moving Parts for Fast and Portable Biomedical Imaging</i>	07/01/2017	06/30/2018	\$100,000

Item 428.D.2.c

Fiscal Year 2017 Quarter 4
June 30, 2017

Financial & Programmatic:

MACH37 LLC;
M37 Equity Pool, LLC;
M37 Carried Interest, LLC

MACH37 LLC

FINANCIAL REPORT
Unaudited

As of June 30, 2017

MACH37 LLC

STATEMENT OF NET POSITION

As of June 30, 2017 and 2016

	Unaudited 6/30/2017	Audited 6/30/2016	Change
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 3,000	\$ 500,000	\$ (497,000)
Due from CIT	130,857	-	130,857
Total current assets	<u>133,857</u>	<u>500,000</u>	<u>(366,143)</u>
Capital assets:			
Furniture, fixtures, equipment, and trademark	83,704	83,704	-
Less accumulated depreciation and amortization	<u>(32,083)</u>	<u>(13,750)</u>	<u>(18,333)</u>
Total capital assets	51,621	69,954	(18,333)
Other assets:			
Interest in M37 Equity Pool, LLC	131,771	-	131,771
Trademark	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Total other assets	<u>146,771</u>	<u>15,000</u>	<u>131,771</u>
Total assets	<u><u>332,249</u></u>	<u><u>584,954</u></u>	<u><u>(252,705)</u></u>
LIABILITIES			
Current liabilities:			
Unearned revenue	<u>102,083</u>	<u>280,595</u>	<u>(178,512)</u>
Total current liabilities	<u>102,083</u>	<u>280,595</u>	<u>(178,512)</u>
Total liabilities	<u><u>102,083</u></u>	<u><u>280,595</u></u>	<u><u>(178,512)</u></u>
NET POSITION			
Unrestricted	230,166	304,359	(74,193)
Total net position	<u><u>\$ 230,166</u></u>	<u><u>\$ 304,359</u></u>	<u><u>\$ (74,193)</u></u>

MACH37 LLC

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the fiscal years ended June 30, 2017 and 2016

	Unaudited 6/30/2017	Audited 6/30/2016	Change
OPERATING REVENUE			
Sponsorship Revenue	\$ 695,172	\$ 219,405	\$ 475,767
EXPENSES			
Operating expenses	892,052	-	892,052
Depreciation and amortization	18,333	13,750	4,583
Total expenses	910,385	13,750	896,635
OTHER INCOME (EXPENSE)			
Gain (loss) on investment	(14,709)	-	(14,709)
CHANGE IN NET POSITION	(229,922)	205,655	(435,577)
Net position, June 30, 2016 and 2015	304,359	-	304,359
Capital contributions	155,729	98,704	57,025
Net position, June 30, 2017 and 2016	\$ 230,166	\$ 304,359	\$ (74,193)

M37 Equity Pool, LLC

FINANCIAL REPORT
Unaudited

As of June 30, 2017

M37 Equity Pool, LLC

STATEMENT OF ASSETS, LIABILITIES and MEMBERS' CAPITAL

As of June 30, 2017 and 2016

	Unaudited 6/30/2017	Audited 6/30/2016	Change
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 40	\$ -	\$ 40
Investments in securities in portfolio companies	<u>2,354,583</u>	<u>2,086,850</u>	<u>267,733</u>
Total current assets	<u>2,354,623</u>	<u>2,086,850</u>	<u>267,773</u>
Total assets	<u><u>2,354,623</u></u>	<u><u>2,086,850</u></u>	<u><u>267,773</u></u>
LIABILITIES			
Current liabilities:			
Due to CIT	<u>100</u>	<u>-</u>	<u>100</u>
Total current liabilities	<u>100</u>	<u>-</u>	<u>100</u>
Total liabilities	<u><u>100</u></u>	<u><u>-</u></u>	<u><u>100</u></u>
MEMBERS' CAPITAL			
CIT and MACH37	1,747,835	1,896,925	(149,090)
Minority interest	<u>606,688</u>	<u>189,925</u>	<u>416,763</u>
Total members' capital	<u><u>\$ 2,354,523</u></u>	<u><u>\$ 2,086,850</u></u>	<u><u>\$ 267,673</u></u>

M37 Equity Pool, LLC

STATEMENT OF COMPREHENSIVE INCOME and CHANGES IN MEMBERS' CAPITAL

For the fiscal years ended June 30, 2017 and 2016

	Unaudited 6/30/2017	Audited 6/30/2016	Change
REVENUES			
Net realized investment gain (loss)	\$ (299,745)	\$ -	\$ (299,745)
Total operating revenue	(299,745)	-	(299,745)
EXPENSES			
Operating expenses	60	-	60
Total expenses	60	-	60
NET LOSS	(299,805)	-	(299,805)
Other comprehensive income - Unrealized gain on investments	617,733	-	617,733
COMPREHENSIVE INCOME	317,928	-	317,928
Members' capital, June 30, 2016 and 2015	2,086,850	-	2,086,850
Members' capital contribution	-	2,086,850	(2,086,850)
Members' distribution	(50,255)	-	(50,255)
Members' capital, June 30, 2017 and 2016	<u>\$ 2,354,523</u>	<u>\$ 2,086,850</u>	<u>\$ 267,673</u>

M37 Carried Interest, LLC

FINANCIAL REPORT
Unaudited

As of June 30, 2017

M37 Carried Interest, LLC

STATEMENT OF ASSETS, LIABILITIES and MEMBERS' CAPITAL

As of June 30, 2017 and 2016

	Unaudited 6/30/2017	Unaudited 6/30/2016	Change
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 11,000	\$ -	\$ 11,000
Prepaid Insurance	4,070	-	4,070
Investments in securities in portfolio companies	<u>636,000</u>	<u>-</u>	<u>636,000</u>
Total current assets	<u>651,070</u>	<u>-</u>	<u>651,070</u>
Total assets	<u><u>651,070</u></u>	<u><u>-</u></u>	<u><u>651,070</u></u>
LIABILITIES			
Current liabilities:			
Due to CIT	<u>19,685</u>	<u>-</u>	<u>19,685</u>
Total current liabilities	<u>19,685</u>	<u>-</u>	<u>19,685</u>
Total liabilities	<u><u>19,685</u></u>	<u><u>-</u></u>	<u><u>19,685</u></u>
MEMBERS' CAPITAL			
CIT	618,758	-	618,758
Minority Interest	<u>12,627</u>	<u>-</u>	<u>12,627</u>
Total members' capital	<u><u>\$ 631,385</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 631,385</u></u>

M37 Carried Interest, LLC

STATEMENT OF COMPREHENSIVE INCOME and CHANGES IN MEMBERS' CAPITAL

For the fiscal years ended June 30, 2017 and 2016

	Unaudited 6/30/2017	Unaudited 6/30/2016	Change
REVENUES			
Investment income	\$ -	\$ -	\$ -
Total operating revenue	-	-	-
EXPENSES			
Operating expenses	4,615	-	4,615
Total expenses	4,615	-	4,615
NET LOSS	(4,615)	-	(4,615)
Other comprehensive income - Unrealized gain on investments	86,000	-	86,000
COMPREHENSIVE INCOME	81,385	-	81,385
Members' capital, June 30, 2016 and 2015	-	-	-
Members' capital contribution	550,000	-	550,000
Members' capital, June 30, 2017 and 2016	\$ 631,385	\$ -	\$ 631,385