

Subject	2023 SSBCI Life Science NOI Questions and Responses
Tags	Question and Answer Period, Legal Review, Frequently Asked Questions, Federal Compliance, State Compliance, Reporting, SSBCI, Program Development

### Summary

The purpose of this document is to accumulate and memorialize questions gathered in response to the notice of investment opportunity (“NOI”) for SSBCI Life Science Healthcare Fund. Question to this notice will be submitted in writing via e-mail to [SSBCILifeSciFund@njeda.com](mailto:SSBCILifeSciFund@njeda.com) and must be received at or before 5 PM ET on Tuesday, February 21, 2023.

All answers to the questions submitted within the required timeline for this notice will be posted to the Authority’s website <https://www.njeda.com/notices-of-investment-opportunity/> as soon as available, but in no event later than Friday, March 3, 2023, at 5:00 PM ET.

Staff will review the aforementioned email inbox on a daily basis to collect inquiries and then consult with the DAG’s office to respond during the aforementioned window of time. As questions come into the mailboxes, emailers will receive a confirmation we have their question and responses.

### Questions – SSBCI Life Science Fund

Date	Question	DAG Response
2/13/2023	What qualifies as a NJ-based life science company to receive investment from this fund (e.g., extent of New Jersey presence: headquarters or office in NJ, minimum number of NJ-based employees, etc.)?	<p>The funds will be disseminated to the qualified, highest-scoring manager(s) to make “seed” to “Series A” investments into early-stage, New Jersey Life Science/ Healthcare companies. The categories of acceptable life sciences companies include pharmaceuticals, including, branded, generic and specialty, biotechnology, medical devices, regenerative medicine, microbiome, technology platforms geared to assist the medical community, digital health or healthcare software, diagnostics, biomedical technologies, nutraceuticals, cosmeceuticals, and others that dedicate their efforts to creating products to improve human or animal lives.</p> <p>US Treasury requires each jurisdiction to use at least 90 percent of its capital allocation for loans, investments, and other credit or equity support for small businesses located in the jurisdiction.</p> <p><a href="https://home.treasury.gov/system/files/136/SSBCICapital-Program-Policy-Guidelines.pdf">https://home.treasury.gov/system/files/136/SSBCICapital-Program-Policy-Guidelines.pdf</a> (page 41-42, SSBCI Capital Program Policy Guidelines). In the aggregate a manager will be required to demonstrate 90% of SSBCI capital is deployed within the jurisdiction. A qualifying NJ business is:</p> <ul style="list-style-type: none"> <li>• One which at least 50% of non-retail employees working or living in New Jersey, or 50% of payroll is paid to employees, living or working in NJ; or,</li> <li>• A business which has its headquarters in New Jersey.</li> </ul>
2/13/2023	Is NJEDA’s distribution of SSBCI funds restricted to capital calls, or can funds be committed upon execution of documents and upon the occurrence of milestones, as long as certain conditions are met or pre-agreed to?	<p>The Authority will require a certification from the selected manager(s) on the use of funds and prohibited use of funds before funding any and all capital calls. The selected manager(s) must specify that the intended use of called capital is compliant with use of funds and reporting requirements. In the event of non-compliance, NJEDA may not fulfill capital call funding for the transaction.</p>

2/13/2023	Will financials and other reports require certified audits or will reviewed financials by an independent CPA firm be accepted?	The SSBCI program rules and guidelines require selected fund manager(s) shall provide to the Authority annual Certified Public Accountant prepared financial statements for the life of the investment. Please see section 4 of the NJ Life Science/Healthcare Fund NOI which includes additional fund manager deliverables under the program.
2/13/2023	Other than financial information, what, if any other information shall require third party review or certification? Please identify the level of oversight for each.	The SSBCI program rules and guidelines dictate a number of certifications are made. The fund manager(s) shall submit SSBCI annual reports and certifications by March 15 of each year. These reports and certifications comply with SSBCI reporting guidelines and include, certifying that no principal of the investor or the investee has been convicted of a sex offense against any minor; certification of the services provided to portfolio companies in that year. Please see section 5 Use of Funds section of the NJ Life Science/Healthcare Fund Notice of Investment Opportunity (NOI) for additional requirements and certifications.
2/13/23	If awarded, would it be possible for us to hold office hours at the EDA's North Brunswick facility – perhaps once or twice a month, if and when you have a spare office available for the day?	<p>If the interested fund manager(s) does/do not currently have an office in the State, the manager(s) may operate at a remote or satellite in-State office, co-working facility or establish a permanent facility. The office location must be provided to the Authority before closing and evidence must be presented to verify the active and in person sourcing efforts in New Jersey.</p> <p>If available EDA will support with best efforts to use an EDA site for office hours, meetings, etc.</p>