

Non Substantive Change Request

Approved By

Randy Cole

Approved Date

2/26/2013 8:33:11 AM

Controlling Board Number

DEV0102045

Agency Code Submitted From

DEV01

User Submitted By

Rachel.Near

Shorttitle

DEV0102045 - SPR Therapeutics

Change Description

On July 9, 2012, Controlling Board approved Development's request (DEV0102045) to release \$900,000 to SPR Therapeutics, LLC located in the City of Cleveland, Cuyahoga County, for the acquisition of machinery and equipment and intellectual property protection. Development is requesting a change to the project uses of funds as follows: Approved Change \$793,000 M&E \$15,000 M&E \$287,000 Other \$130,000 Development Costs \$175,000 Testing Costs \$120,000 Intellectual Property \$205,000 Intellectual Property \$0 Molds & Tooling \$675,000 Molds & Tooling TOTAL: \$1,200,000 TOTAL: \$1,200,000 The change is due to SPR leveraging existing machinery and equipment and spending more on molds and tooling and intellectual property protection. Development's collateral/security was approved as required senior secured interest in all business assets including the intellectual property licensed from NDI Medical, LLC and intellectual property developed by SPR, but excluding inventory and receivables. Development will also take a shared security position (pari passu) with any notes (not to exceed \$350,000) held by other economic development organizations. Development will also require the corporate guarantee of NDI Medical, LLC. The corporate guarantee of NDI Medical, LLC may be released once SPR has received either U.S. FDA or CE Mark approval. The change in the project uses of funds will have no ill effect on collateral and security. All other terms and conditions of the original Controlling Board approval will remain the same. Your cooperation and assistance in this matter is appreciated.