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May 23, 2011

Independent Citizen's Oversight Committee
California Institute for Regenerative Medicine
210 King Street
San Francisco, CA 94107

Re: The Chair Position at the California Institute for Regenerative Medicine

Dear Board Members:

I am writing to express my interest in being the next Chairman of the California Institute for Regenerative Medicine ("CIRM" or the "Agency"). With a long time interest and understanding in biology and the medical sciences, I would greatly value the opportunity to help carry on the Agency's mission to produce groundbreaking therapies for a host of currently incurable diseases. For a variety of reasons, I believe I am well qualified to help lead the Board and Staff in building on the huge successes of CIRM's first six years.

Patient Advocacy

First and foremost, I have strong a personal interest in CIRM's work. Our then 10-year old daughter struggled mightily in 2006 with a form of inflammatory bowel disease. She spent 49 nights that year in one hospital or another. It was a terrible time for her and highly stressful for our family. We all banded together to help pull her through. I am happy to report (knock on wood) that she's doing great now. I am intensely interested for my daughter and others with inflammatory bowel disease in ongoing stem cell research in that area and keen for it to yield therapies to eliminate the suffering caused by those conditions. I feel that I would be strong patient advocate for that group as the Chair of the CIRM Board.

In addition, I spent 15+ years on the Board of the Crippled Childrens' Society of Southern California ("CCS"; now called AbilityFirst) and was its Chair from 1990-94. Many of the kids CCS served had spinal injuries or conditions and/or a host of mental health disabilities. As those injuries/conditions are other major targets of stem cell research, I would be a strong patient advocate for that group as well. I will be rejoining the AbilityFirst Board this July 1.

I have always had a deep and enduring interest in science. I majored in Biology and History at Yale (*summa cum laude*) and earned a doctorate from Oxford on a George C. Marshall Scholarship examining the role of disease and medicine in the expansion of the British into tropical East Africa. I had originally intended to go to medical school thereafter, having fulfilled all pre-med requirements as an undergraduate. As it happens, based on my experiences at Oxford, I decided to return to Yale for my law degree instead. While there, I continued to keep my hand in science by teaching an audit course at the law school on the “Legal and Policy Implications of Genetic Engineering and Manipulation” and a for-credit course at Yale College entitled “Selected Topics in the Impact of Disease on History.”

My strong interest in biology and the medical sciences has continued on through my professional life. For the past 26 years, I have been an investment banker, first at Ehrlich Bober (a then-top ten Wall Street public finance firm) and then at Saybrook Capital (“Saybrook”), a firm I co-founded in 1990. During that time, I made a point of keeping abreast of all the cutting edge developments in biotechnology. I took particular interest in the proliferation of stem cell research and have looked for opportunities to make an impact in that arena.

Stem Cell Investment

In 2000, I started following Advanced Cell Technology (“ACT”), a then-young company (the “Company”) active in the embryonic stem cell space. After considerable due diligence on the Company’s business, scientific techniques and intellectual property rights, I led an early-round financing to help fund the Company’s research and operations. After over a decade of innovative work, ACT recently received only the second and third FDA approvals to proceed to human clinical trials for a stem cell-based therapy (for Stargardt disease, a rare eye condition and for Age-related Macular Degeneration). I still own a small portion of ACT stock and am prepared to liquidate it if chosen as CIRM Chair so as to avoid any conflicts that might arise. I have no other actual or potential conflicts in this regard.

Peer Review

I understand that the CIRM Chair actively participates in the Grants Working Group (among others) and must help explain those peer review discussions and conclusions to the Board. Should I become Chair, I believe my scientific background and understanding of stem cell technology will be a big help in performing those roles.

Legal Expertise

In looking at the challenges that lie ahead, it is clear that there will be many legal issues of note that CIRM will have to navigate, including but certainly not limited to those related to future RFAs, FDA trials, bilateral collaborative agreements, intellectual

property, grant/loan agreements, future litigation both for CIRM and/or its grantees/loan recipients, etc. Having a Chair with a legal background should be an additional asset to the Agency. Specifically on this point, one of the criteria for the position is “[l]egal experience with the legal review of proper governmental authority for the exercise of government agency or government institutional powers.” The United States Circuit Court of Appeals for the District of Columbia Circuit (the “DC Circuit”) dealt extensively with issues involving government agencies acting within or exceeding their statutory or regulatory authority. As a law clerk for the Honorable George Mackinnon of the DC Circuit (1981-82), I was involved with many cases involving these issues.

Board Member of Major Governmental Agencies

Another stated criteria for the Chair position is “[e]xperience with governmental agencies or institutions (either executive or board positions).” From 1994-2001, I was a Member/Vice President of the City of Los Angeles Board of Harbor Commissioners (the “Harbor Commission”). I was appointed by then-Mayor Riordan to bring financial expertise in general to a Board overseeing the business of the Port of Los Angeles and specifically to a major capital program of over \$1b in Port improvements. At the same time, I was appointed as the Harbor Commission representative to the Governing Board for the Alameda Corridor Transportation Authority (“ACTA”). My job there was to fashion a financing plan for the construction of the \$2.4b expansion of the rail lines from the Ports of Los Angeles and Long Beach to the dispatching yards south of downtown Los Angeles. Drawing upon a first of its kind subordinated federal loan plus other federal, state and county monies and a large revenue bond issue, we financed the project on time and under budget. At the groundbreaking for the Corridor, I was credited by US Transportation Secretary Rodney Slater for playing an integral role in putting the financing together.

Public Finance Expertise

Going forward, CIRM will be operating in a troubled financial environment state-wide. This could potentially affect a range of issues, from future State Department of Finance bond allocations to a second general obligation bond election in the coming years. It would be helpful for the Chair to have experience with the public finance market and in dealing with State officials and politicians in general (two additional stated criteria for the position). On the first point, as mentioned above, I have many years experience as a public finance investment banker, as well as in being the lead official at the Port of Los Angeles and ACTA in charge of overseeing the issuance of their respective bonds. During that time, I had direct experience as an underwriter, financial advisor or issuer in billions of dollars of bond financings, including a number of general obligation bond deals. I would be very comfortable dealing with the State Finance Director, State Treasurer and State bond counsel on all bond matters and would look to play an integral role if CIRM returns to the voters as planned for additional bond authorization in either 2014 or 2016.

Dealings with Political Officials

On the general subject of dealing with political officials, as a Member and Treasurer of the Brentwood Biomedical Research Institute (1993-98), I worked with other members of the Board to help secure federal funding for scientific research conducted by the Institute on the grounds of the West Los Angeles VA. In addition, I dealt extensively with Congress on a wide range of other matters (the Tax Reform Act of 1986 as it affected public finance, the Alameda Corridor funding package, potential transportation funding for large public/private development projects in the greater Los Angeles area, etc.). As regards the State, Saybrook was financial advisor to the Official Committee of Unsecured Creditors in the PG&E bankruptcy in 2001-03. I was the Committee's lead political liaison to the Governor's office and the State legislature throughout that restructuring. In addition, I dealt with the legislature on many Port and ACTA issues during my time on those Boards. I am very comfortable dealing with both federal and state officials and would look forward, working in partnership with Senator Art Torres, to all such interactions on the Board's behalf.

Experience Establishing Government Standards and Procedures

The last stated criteria for the Chair position is "[e]xperience with the process of establishing government standards and procedures." As the Financial Advisor to HUD and the City of Los Angeles for the creation of the Los Angeles Community Development Bank in 1995, I had direct input into the government standards and procedures adopted for that entity.

The FDA Process/Outside Counsel

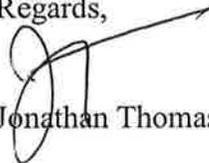
As a final note, I am fully aware (1) that the focus of the next few years is in translating basic research into clinical trials; and (2) that the success of the next bond measure will in no small part depend on showing significant progress with the FDA on that translational effort. I have a solid understanding of FDA procedures for drug approval. In addition, I would propose retaining on the Board's behalf Rob Church of the Los Angeles office of Hogan Lovells. Rob has a great deal of hands-on experience in the FDA approval process, having worked for many years both in-house in the FDA Chief Counsel's office and outside as a senior executive at Amgen overseeing FDA matters. I believe Rob would be a great asset to the Board in working through the full range of FDA issues.

Conclusion

Over the past five months, I have attended three CIRM Board meetings. I have had the chance to observe the Board in action and to get a feel for the critical issues that it deals with on an ongoing basis. I have in addition had a chance to review with great interest the write-ups made available to the public on the grant and loan awards that the Agency has made over that period of time. It is clear that the Board and Staff of the Agency are

doing crucial cutting edge work that promises to revolutionize medicine as the Agency's funded research plays out over the coming years. CIRM is one of California's true success stories. I would be honored to lead the Agency as its next Chair.

Regards,

A handwritten signature in black ink, appearing to be 'Jonathan Thomas', written over the printed name.

Jonathan Thomas

JONATHAN YORK THOMAS

1. Investment Banking

1990-Present Founding Partner, Saybrook Capital (Investment Banking/Private Equity)
2001-2003 Lead political advisor to Pacific Gas & Electric Unsecured Creditors' Committee and liaison with Governor and State Legislature on Chapter 11 restructuring
1985-90 Managing Director, Ehrlich Bober & Co. (Top 10 public finance firm)
1985-98 Lead investment banker for Los Angeles Community College District

2. Government/Non-Profit

1994-2001 Vice President/Member, City of Los Angeles Harbor Commission
1994-2001 Member, Alameda Corridor Transportation Authority Governing Board (credited with overseeing financing plan for the \$2.6b project)
1995 Financial Advisor to HUD and the City of Los Angeles in the creation of the Los Angeles Community Development Bank
1993-98 Member of the Board of Directors, Brentwood Biomedical Research Institute
1990-94 Chairman of the Board, The Crippled Childrens Society (now AbilityFirst)

3. Legal

1980 Summer law clerk to White House Counsel Lloyd Cutler
1981-82 Law Clerk to the Honorable George Mackinnon, United States Circuit Court of Appeals for the District of Columbia Circuit
1982-85 Associate, Munger, Tolles & Rickershauser

4. Embryonic Stem Cells

2001 Did early round financing for Advanced Cell Technology, which the week of 11/15/10 became the second company after Geron Corp. to get FDA approval for human clinical trials using embryonic stem cells.(for Stargardt disease, a rare eye condition)

5. Education

1976 BA Yale University (Biology and History Majors) (summa cum laude)
1976 George C. Marshall Scholar (Balliol College, Oxford)
1981 JD Yale Law School
1987 D Phil (PhD) Oxford University (Commonwealth History/Medical History)

6. Teaching

1981 Student taught an audit course at Yale Law School entitled "Legal and Policy Aspects of Genetic Engineering and Manipulation"
1980 Part-time Adjunct Lecturer at Yale University; taught for-credit course entitled "The Impact of Disease on History"