

BARRISTERS' REPORTING SERVICE

BEFORE THE  
INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE  
AND THE APPLICATION REVIEW SUBCOMMITTEE  
TO THE  
CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE  
ORGANIZED PURSUANT TO THE  
CALIFORNIA STEM CELL RESEARCH AND CURES ACT  
REGULAR MEETING

LOCATION: AS INDICATED ON THE AGENDA

DATE: NOVEMBER 17, 2016  
10 A.M.

REPORTER: BETH C. DRAIN, CSR  
CSR. NO. 7152

BRS FILE NO.: 99076

BARRISTERS' REPORTING SERVICE

I N D E X

ITEM DESCRIPTION	PAGE NO.
OPEN SESSION	
1. CALL TO ORDER.	3
2. ROLL CALL.	3
3. CONSIDERATION OF APPLICATIONS SUBMITTED IN RESPONSE TO THE PARTNERING OPPORTUNITY FOR TRANSLATIONAL RESEARCH PROJECTS.	18
4. CONSIDERATION OF APPLICATIONS SUBMITTED IN RESPONSE TO CLIN 2: PARTNERING OPPORTUNITY FOR CLINICAL TRIAL STAGE PROJECTS.	4
5. CLOSED SESSION	NONE
6. PUBLIC COMMENT.	NONE
7. ADJOURNMENT.	86

BARRISTERS' REPORTING SERVICE

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NOVEMBER 17, 2016; 10 A.M.

CHAIRMAN THOMAS: GOOD MORNING, EVERYBODY.  
WOULD LIKE TO CALL THE MEETING TO ORDER. THIS IS  
THE REGULAR MEETING OF THE ICOC AND THE APPLICATION  
REVIEW SUBCOMMITTEE FOR NOVEMBER 2016. MARIA, WILL  
YOU PLEASE CALL THE ROLL.

MS. BONNEVILLE: DAVID BRENNER. LARS  
BERGLUND.

DR. BERGLUND: HERE.

MS. BONNEVILLE: DEBORAH DEAS. ANNE-MARIE  
DULIEGE. HOWARD FEDEROFF. MICHAEL FRIEDMAN. JUDY  
GASSON. SAM HAWGOOD. DAVID HIGGINS.

DR. HIGGINS: HERE.

MS. BONNEVILLE: STEPHEN JUELSGAARD.

MR. JUELSGAARD: PRESENT.

MS. BONNEVILLE: SHERRY LANSING. KATHY  
LAPORTE.

DR. LAPORTE: HERE.

MS. BONNEVILLE: BERT LUBIN. SHLOMO  
MELMED. LAUREN MILLER.

MS. MILLER: HERE.

MS. BONNEVILLE: LLOYD MINOR. ADRIANA  
PADILLA.

DR. PADILLA: HERE.

BARRISTERS' REPORTING SERVICE

1 MS. BONNEVILLE: JOE PANETTA.  
2 MR. PANETTA: HERE.  
3 MS. BONNEVILLE: FRANCISCO PRIETO.  
4 DR. PRIETO: HERE.  
5 MS. BONNEVILLE: CARMEN PULIAFITO. ROBERT  
6 QUINT.  
7 DR. QUINT: HERE.  
8 MS. BONNEVILLE: AL ROWLETT.  
9 MR. ROWLETT: HERE.  
10 MS. BONNEVILLE: JEFF SHEEHY.  
11 MR. SHEEHY: HERE.  
12 MS. BONNEVILLE: OSWALD STEWARD. JONATHAN  
13 THOMAS.  
14 CHAIRMAN THOMAS: HERE.  
15 MS. BONNEVILLE: ART TORRES. KRISTINA  
16 VUORI. DIANE WINOKUR.  
17 CHAIRMAN THOMAS: THANK YOU. WE ARE NOW  
18 GOING TO PROCEED TO THE AGENDA. I'M GOING TO GO A  
19 LITTLE OUT OF ORDER, TAKING ITEM 4 IN ADVANCE OF  
20 ITEM 3.  
21 ITEM 4 IS CONSIDERATION OF APPLICATIONS  
22 SUBMITTED IN RESPONSE TO CLIN2, PARTNERING  
23 OPPORTUNITY FOR CLINICAL TRIAL STAGE PROJECTS. I'LL  
24 TURN THE MEETING AT THIS POINT OVER TO MR. SHEEHY.  
25 MR. SHEEHY: THANK YOU, CHAIRMAN THOMAS.

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1 DR. SAMBRANO, ARE YOU PLANNING TO LEAD US THROUGH  
2 THE PRESENTATION OF THE CLINICAL REVIEW PROCESS AND  
3 THE RECENT ROUND?

4 DR. SAMBRANO: YES, MR. SHEEHY, I AM.

5 MR. SHEEHY: GREAT. THANK YOU.

6 DR. SAMBRANO: THANK YOU VERY MUCH. GOOD  
7 MORNING, EVERYONE. THE SLIDES FOR THE CLINICAL  
8 STAGE PROGRAM PRESENTATION WERE DISTRIBUTED.  
9 THEY'RE ALSO ON WEBEX. AND I WILL BE PLEASED TO  
10 INTRODUCE THE PROGRAM.

11 AND SO, AS YOU ALL KNOW, THE CLINICAL  
12 STAGE PROGRAM HAS THREE PROGRAM ANNOUNCEMENTS  
13 ASSOCIATED WITH IT THAT SUPPORT CLINICAL STAGE  
14 PROJECTS FROM IND ENABLING THROUGH PHASE III  
15 CLINICAL TRIALS. THE APPLICATIONS THAT WE ARE  
16 CONSIDERING TODAY ARE ALL RESPONDING TO THE CLIN2  
17 PROGRAM TO CONDUCT A PHASED CLINICAL TRIAL.

18 A REMINDER OF THE SCORING SYSTEM THAT WE  
19 USE FOR THESE APPLICATIONS. THE GRANTS WORKING  
20 GROUP SCORES THESE AS A 1, 2, OR 3. A 1 MEANING  
21 THAT THE APPLICATION SHOWS EXCEPTIONAL MERIT AND  
22 WOULD WARRANT FUNDING; OR A 2 MEANS IT NEEDS  
23 IMPROVEMENT AND DOES NOT WARRANT FUNDING, BUT CAN BE  
24 RESUBMITTED TO ADDRESS THOSE AREAS OF CONCERN; AND  
25 THEN A SCORE OF 3, WHICH MEANS IT'S SUFFICIENTLY

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1 FLAWED THAT IT WOULD NOT WARRANT FUNDING AND THE  
2 SAME PROJECT SHOULD NOT BE RESUBMITTED FOR AT LEAST  
3 SIX MONTHS.

4 THE APPLICATIONS WE ARE ASSESSING TODAY  
5 ARE ALL A SCORE OF 1. AND I CAN GO THROUGH EACH OF  
6 THESE, MR. SHEEHY. WE CAN START WITH THE FIRST ONE.  
7 I'M HAPPY TO INTRODUCE THAT ONE IF YOU'RE READY.

8 MR. SHEEHY: YES.

9 DR. SAMBRANO: OKAY. SO THE FIRST  
10 APPLICATION IS CLIN2-09339, WHICH IS A CLINICAL  
11 TRIAL TO TREAT SEVERE COMBINED IMMUNODEFICIENCY.  
12 THE THERAPY IS AN AUTOLOGOUS CD34 HEMATOPOIETIC  
13 STEM-CELL TREATMENT WITH A VECTOR THAT ENCODES THE  
14 DEAMINASE GENE WHICH IS DEFICIENT IN THESE PATIENTS.  
15 AND SO THIS IS FOR PATIENTS WHO HAVE THE ADA-SCID.  
16 AND THE GOAL OF THIS PROJECT OR TRIAL IS TO COMPLETE  
17 A PHASE I/II CLINICAL TRIAL AND TO SEEK FDA APPROVAL  
18 FOR THIS TREATMENT WHICH WOULD REPRESENT, PERHAPS,  
19 THE FIRST GENE THERAPY CELL THERAPY TRIAL APPROVED  
20 BY THE FDA.

21 THE PROPOSED ACTIVITIES INCLUDE THE GMP  
22 MANUFACTURING OF TEN PATIENT-SPECIFIC LOTS OF THE  
23 HSC AND TRANSPLANTATION INTO TEN SUBJECTS WITH  
24 ADA-SCID, THE SUBMISSION OF A BIOLOGICS LICENSE  
25 APPLICATION TO THE FDA, AND THEN A TWO-YEAR

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1 FOLLOW-UP IN THE PATIENTS THAT ARE TREATED.

2 THE FUNDS REQUESTED FOR THIS PARTICULAR  
3 PROJECT IS 20 MILLION WITH CO-FUNDING OF 18.2  
4 CO-FUNDING PROVIDED BY THE APPLICANT.

5 ON THE NEXT SLIDE IS AN OVERVIEW OF THE  
6 REVIEW. IT PASSED AN INITIAL BUDGET REVIEW. WE  
7 ALWAYS CONDUCT A BUDGET REVIEW JUST TO MAKE SURE  
8 THAT FROM A BIG-PICTURE POINT OF VIEW COSTS SEEM  
9 APPROPRIATE AND REASONABLE. THEN THE GRANTS WORKING  
10 GROUP REVIEWED THE SCIENTIFIC MERIT OF THE  
11 APPLICATION, AND THEY GAVE IT A SCORE OF 1. TEN  
12 VOTES FOR A SCORE OF 1, ONE VOTE FOR A SCORE OF 2,  
13 AND NONE FOR A SCORE OF 3.

14 THE CIRM TEAM ALSO ASSESSES THE PROCESS BY  
15 WHICH WE CONDUCT THESE REVIEWS TO MAKE SURE THAT  
16 EVERYTHING IS IN ORDER IN TERMS OF HAVING FOLLOWED  
17 THE TYPE OF QUALITY REVIEW THAT WE WANT TO HAVE.  
18 AND WE CONCUR WITH THE FINDING OF THE GRANTS WORKING  
19 GROUP, AND WE RECOMMEND APPROVAL OF THE AMOUNT OF  
20 \$20 MILLION.

21 AND I'M GOING TO STATE THIS CAVEAT, AND IT  
22 IS SOMETHING THAT WE'RE GOING TO INCLUDE IN EACH OF  
23 THE APPROVALS THAT FOLLOW. I THINK THIS IS  
24 SOMETHING THAT IS KNOWN, BUT JUST WANT TO POINT IT  
25 OUT. THE FINAL AWARD AMOUNT WILL NOT EXCEED THE

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1 AMOUNT THAT YOU APPROVE, AND IT MAY ACTUALLY BE  
2 REDUCED BASED ON OUR ASSESSMENT OF ALLOWABLE COSTS  
3 AND ACTIVITIES. WE POINT THIS OUT SPECIFICALLY  
4 BECAUSE REVIEWERS DURING THE REVIEW OF THIS  
5 PARTICULAR APPLICATION NOTED HIGH COSTS THAT THEY  
6 ASKED US TO MAKE SURE WE GO OVER TO ENSURE THAT THEY  
7 ARE WITHIN APPROPRIATE LEVELS. MR. SHEEHY.

8 MR. SHEEHY: THANKS, DR. SAMBRANO. DO I  
9 HAVE A MOTION TO EITHER FUND OR NOT FUND THIS  
10 APPLICATION?

11 MS. LAPORTE: I SO MOVE.

12 DR. JUELGAARD: I'LL SECOND.

13 MR. SHEEHY: GREAT. DO WE HAVE ANY  
14 DISCUSSION? COULD WE CALL THE ROLL THEN? OH,  
15 PUBLIC COMMENT. ANY PUBLIC COMMENT AT ANY OF THE  
16 SITES? THEN CALL THE ROLL.

17 MS. BONNEVILLE: ANNE-MARIE DULIEGE.  
18 DAVID HIGGINS.

19 DR. HIGGINS: YES.

20 MS. BONNEVILLE: STEVE JUELGAARD.

21 DR. JUELGAARD: YES.

22 MS. BONNEVILLE: KATHY LAPORTE.

23 MS. LAPORTE: YES.

24 MS. BONNEVILLE: LAUREN MILLER.

25 MS. MILLER: YES.



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1 MS. BONNEVILLE: ADRIANA PADILLA.  
2 DR. PADILLA: YES.  
3 MS. BONNEVILLE: JOE PANETTA.  
4 MR. PANETTA: YES.  
5 MS. BONNEVILLE: FRANCISCO PRIETO.  
6 DR. PRIETO: AYE.  
7 MS. BONNEVILLE: ROBERT QUINT.  
8 DR. QUINT: YES.  
9 MS. BONNEVILLE: AL ROWLETT.  
10 MR. ROWLETT: YES.  
11 MS. BONNEVILLE: JEFF SHEEHY.  
12 MR. SHEEHY: YES.  
13 MS. BONNEVILLE: OS STEWARD. JONATHAN  
14 THOMAS.  
15 CHAIRMAN THOMAS: YES.  
16 MS. BONNEVILLE: ART TORRES. DIANE  
17 WINOKUR.  
18 MS. WINOKUR: YES.  
19 MS. BONNEVILLE: THANK YOU. THE MOTION  
20 CARRIES.  
21 MR. SHEEHY: THANK YOU. DR. SAMBRANO,  
22 SHOULD WE GO TO THE NEXT ONE, 9444, PLEASE.  
23 DR. SAMBRANO: SO THIS NEXT APPLICATION IS  
24 ALSO A CLIN2 PROPOSAL TO CONDUCT A CLINICAL TRIAL TO  
25 TREAT PULMONARY ARTERIAL HYPERTENSION. THE PROPOSED

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1 THERAPEUTIC IS ALLOGENEIC CARDIOSPHERE-DERIVED STEM  
2 CELLS FOR PATIENTS THAT EXHIBIT PULMONARY ARTERIAL  
3 HYPERTENSION OF VARIOUS TYPES.

4 THE GOAL IS TO COMPLETE A PHASE IA-IIB  
5 CLINICAL TRIAL TO ASSESS THE SAFETY AND PRELIMINARY  
6 EFFICACY OF THIS TREATMENT IN SUCH PATIENTS.

7 THE MAJOR PROPOSED ACTIVITIES INCLUDE  
8 ASSESSMENT OF THE MAXIMUM TOLERABLE DOSE AND SAFETY  
9 IN PATIENTS WITH PAH AND ASSESS THE LONG-TERM SAFETY  
10 AND PRELIMINARY EFFICACY IN THOSE PATIENTS.

11 THE FUNDS REQUESTED ARE ABOUT 7.4 MILLION.  
12 THE APPLICANT DOES NOT REQUIRE CO-FUNDING FOR THIS  
13 PROPOSAL.

14 ON THE NEXT SLIDE WE HAVE AN OVERVIEW OF  
15 THE REVIEW. AGAIN, THIS APPLICATION PASSED THE  
16 INITIAL BUDGET REVIEW. AND GWG GAVE IT A SCORE OF 1  
17 WITH SEVEN MEMBERS SCORING IT A 1, FIVE SCORING IT A  
18 2, AND NONE SCORING IT A 3.

19 CIRM'S TEAM'S RECOMMENDATION IS TO FUND  
20 AND CONCURS WITH THE GWG RECOMMENDATION FOR THE  
21 AWARD AMOUNT OF 7.4 MILLION WITH THE NOTED CAVEATS  
22 AS BEFORE ON THAT AMOUNT. MR. SHEEHY.

23 MR. SHEEHY: THANK YOU, DR. SAMBRANO. SO  
24 DO I HAVE A MOTION EITHER TO FUND OR NOT FUND  
25 APPLICATION 09444?

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DR. PRIETO: MOVE TO FUND.  
MR. SHEEHY: DR. PRIETO. DO I HAVE A  
SECOND?  
DR. JUELSGAARD: SECOND.  
MR. SHEEHY: GREAT. ANY DISCUSSION? ANY  
PUBLIC COMMENT? THEN COULD WE CALL THE ROLL,  
PLEASE.  
MS. BONNEVILLE: ANNE-MARIE DULIEGE.  
DAVID HIGGINS.  
DR. HIGGINS: YES.  
MS. BONNEVILLE: STEVE JUELSGAARD.  
DR. JUELSGAARD: YES.  
MS. BONNEVILLE: KATHY LAPORTE.  
MS. LAPORTE: YES.  
MS. BONNEVILLE: LAUREN MILLER.  
MS. MILLER: YES.  
MS. BONNEVILLE: ADRIANA PADILLA.  
DR. PADILLA: YES.  
MS. BONNEVILLE: JOE PANETTA.  
MR. PANETTA: YES.  
MS. BONNEVILLE: FRANCISCO PRIETO.  
DR. PRIETO: AYE.  
MS. BONNEVILLE: ROBERT QUINT.  
DR. QUINT: NO.  
MS. BONNEVILLE: AL ROWLETT.

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1 MR. ROWLETT: YES.

2 MS. BONNEVILLE: JEFF SHEEHY.

3 MR. SHEEHY: YES.

4 MS. BONNEVILLE: OS STEWARD. JONATHAN  
5 THOMAS.

6 CHAIRMAN THOMAS: YES.

7 MS. BONNEVILLE: DIANE WINOKUR.

8 MS. WINOKUR: YES.

9 MS. BONNEVILLE: MOTION CARRIES.

10 MR. SHEEHY: GREAT. DR. SAMBRANO, COULD  
11 YOU NOW TAKE US THROUGH 09577, PLEASE.

12 DR. SAMBRANO: VERY WELL. SO THIS LAST  
13 APPLICATION IS TO CONDUCT A CLINICAL TRIAL TO TREAT  
14 SOLID TUMOR AND COLORECTAL CANCER. THERAPY IS A  
15 MONOCLONAL ANTIBODY DIRECTED AGAINST MOLECULE CD47  
16 AND TO BE COMBINED WITH AN EXISTING APPROVED CANCER  
17 THERAPEUTIC, WHICH IS ALSO A MONOCLONAL ANTIBODY,  
18 CETUXIMAB, WHICH TOGETHER THEY WILL TARGET CANCER  
19 STEM CELLS. THE INDICATION IS INITIALLY FOR  
20 PATIENTS WITH VERY SOLID TUMORS AND THEN EXCLUSIVELY  
21 FOR PATIENTS IN THE SECOND PART OF THIS TRIAL FOR  
22 ADVANCED COLON CANCER PATIENTS.

23 THE GOAL IS TO COMPLETE A PHASE I(B)/II  
24 CLINICAL TRIAL, TO SUPPORT CONTINUED DEVELOPMENT OF  
25 THIS COMBINATION PRODUCT. THE MAJOR PROPOSED

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1     ACTIVITIES INCLUDE DETERMINING SAFETY AND  
2     TOLERABILITY OF THE TREATMENT, OBTAINING AN OPTIMAL  
3     DOSE REGIMIN, AND DETERMINING THE THERAPEUTIC  
4     EFFICACY IN THE COLON CANCER PATIENTS.

5             THE FUNDS REQUESTED ARE 10.2 MILLION.  THE  
6     APPLICANT PROVIDES 6.8 MILLION IN CO-FUNDING.

7             ON THE NEXT SLIDE IS THE OVERVIEW OF THE  
8     REVIEW.  THIS APPLICATION PASSED THE INITIAL BUDGET  
9     REVIEW, AND THE GWG GAVE IT A SCORE OF 1 WITH ALL 14  
10    SCORING MEMBERS GIVING IT A SCORE OF 1.  THE CIRM  
11    TEAM RECOMMENDATION IS TO FUND AND CONCURS WITH THE  
12    GWG.  AND THE AWARD AMOUNT WOULD BE 10.2 MILLION.  
13    MR. SHEEHY.

14            MR. SHEEHY:  THANK YOU, DR. SAMBRANO.  DO  
15    I HAVE A MOTION EITHER TO FUND OR NOT FUND  
16    APPLICATION 09577?

17            DR. HIGGINS:  I'LL SECOND IT.

18            MS. BONNEVILLE:  I'M SORRY.  WHO WAS THE  
19    FIRST?

20            DR. HIGGINS:  I THINK IT WAS FRANCISCO.

21            DR. PRIETO:  YES.

22            MR. SHEEHY:  GREAT.  ANY DISCUSSION?

23            DR. JUELSGAARD:  SO MY QUESTION GOES TO  
24    CO-FUNDING.  I PROBABLY SHOULD HAVE ASKED THIS  
25    EARLIER, BUT THIS IS A CASE WHERE ABOUT 70 PERCENT

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1 OF THE MONEY THAT'S ASKED FOR IS -- THERE'S A  
2 CO-FUNDING AMOUNT. WHAT ARE OUR RULES AROUND  
3 CO-FUNDING WITH REGARD TO THESE REQUESTS? WHAT IS  
4 THE MINIMUM AMOUNT OF CO-FUNDING THAT'S REQUIRED  
5 WHEN WE DEAL WITH THESE SORTS OF APPLICATIONS?

6 DR. SAMBRANO: THE CO-FUNDING AMOUNT THAT  
7 IS REQUIRED THAT'S THE MINIMUM DIFFERS FOR NONPROFIT  
8 ENTITIES FROM FOR-PROFITS AT THE PRECLINICAL AND  
9 PHASE I CLINICAL TRIAL STAGES. FOR AN ACADEMIC  
10 ENTITY THAT'S APPLYING, THERE IS NO CO-FUNDING  
11 REQUIREMENT FOR PHASE I OR THE CLIN1 PROGRAM. THERE  
12 IS CO-FUNDING REQUIRED AT 20 AND 30 PERCENT  
13 RESPECTIVELY FOR THE PRECLINICAL TO PHASE I FOR  
14 FOR-PROFITS. AND THEN AT PHASE II, BOTH FOR-PROFITS  
15 AND NON-PROFITS ARE REQUIRED TO PROVIDE 40 PERCENT  
16 CO-FUNDING, AND FOR PHASE III 50 PERCENT CO-FUNDING.

17 DR. JUELSGAARD: ALL RIGHT. THIS GETS TO  
18 THE 40-PERCENT MODEL.

19 DR. SAMBRANO: YES. SO WE CHECK TO MAKE  
20 SURE THAT THE MINIMUM AMOUNT IS PROVIDED AT THE TIME  
21 WE DO THE ELIGIBILITY CHECK. THAT'S AS SOON AS IT  
22 COMES IN THE DOOR, WE CONFIRM THAT THERE IS A  
23 COMMITMENT OF THE FUNDS FOR THE PROJECT.

24 DR. JUELSGAARD: OKAY. GREAT.

25 JUST OUT OF CURIOSITY, HOW DO WE ASSESS

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1 ALONG THE WAY THAT THAT CO-FUNDING AMOUNT IS BEING  
2 SPENT ALONG WITH THE MONEY THAT WE'RE PROVIDING?

3 DR. SAMBRANO: SO THE FUNDS HAVE TO BE  
4 SPENT IN PARALLEL. SO WE SET UP OPERATIONAL  
5 MILESTONES ALONG THE PROJECTED TRACK OF THE AWARD.  
6 AND SO FOR EACH MILESTONE, LET'S SAY JUST AS AN  
7 EXAMPLE THAT REACHING MILESTONE 1 REQUIRES \$5  
8 MILLION AND YOU HAVE A 50-PERCENT CO-FUNDING  
9 REQUIREMENT, WE PROVIDE HALF OF THAT AMOUNT AND THEY  
10 COME UP WITH THE REMAINDER IN ORDER TO ACHIEVE THAT  
11 MILESTONE. AND SO OUR GRANTS MANAGEMENT OFFICE,  
12 BOTH IN PROVIDING THE AMOUNT AND THROUGH OUR  
13 FINANCIAL AND SCIENTIFIC PROGRESS REPORTS, MAKE SURE  
14 THAT THE FUNDS ARE BEING ALLOCATED TO THE COSTS THAT  
15 WERE LAID OUT IN THE PROPOSAL.

16 DR. JUELSGAARD: IN THE EXAMPLE YOU JUST  
17 CITED, THIS \$5 MILLION COST THAT YOU CITED, IS THAT  
18 MONEY GIVEN OVER AT THE OUTSET OF THE PHASE I  
19 CLINICAL TRIAL IN YOUR HYPOTHETICAL ALONG THE WAY OR  
20 AT THE END?

21 DR. SAMBRANO: IT'S GIVEN AT THE BEGINNING  
22 IN ORDER TO ACHIEVE THE FIRST MILESTONE. SO WE GIVE  
23 ONLY ENOUGH TO REACH THAT FIRST MILESTONE. ONCE  
24 THAT FIRST MILESTONE IS REACHED, THEN WE GIVE THE  
25 SECOND TRANCHE OF FUNDS TO ACHIEVE THE SECOND

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1 MILESTONE.

2 MR. JUELSGAARD: AND SO HOW DO YOU KNOW AT  
3 THE END OF THE DAY THAT IT REALLY COST THEM \$5  
4 MILLION IN CIRM MONEY TO COMPLETE PHASE I? DO YOU  
5 REQUIRE A FOLLOW-UP AT THE END TO DEMONSTRATE THAT  
6 INDEED THEY LEGITIMATELY SPENT THE MONEY WE PROVIDED  
7 THEM AND THEY LEGITIMATELY SPENT THE CO-FUNDING  
8 AMOUNT?

9 DR. SAMBRANO: YES. WE DO IT FOR EVERY  
10 MILESTONE. AND WHEN THEY ACHIEVE THE MILESTONE AND  
11 DURING THE ASSESSMENT OF PROGRESS, WE MAKE SURE THAT  
12 THE FUNDS ARE UTILIZED FOR THE ACTIVITIES THAT WERE  
13 PROPOSED.

14 DR. JUELSGAARD: GREAT. THANK YOU.

15 MR. SHEEHY: ANY OTHER QUESTIONS OR  
16 COMMENTS FROM MEMBERS OF THE BOARD? ANY PUBLIC  
17 COMMENT? THEN COULD WE CALL THE ROLL PLEASE.

18 MS. BONNEVILLE: ANNE-MARIE DULIEGE.  
19 DAVID HIGGINS.

20 DR. HIGGINS: YES.

21 MS. BONNEVILLE: STEVE JUELSGAARD.

22 DR. JUELSGAARD: YES.

23 MS. BONNEVILLE: SHERRY LANSING. KATHY  
24 LAPORTE.

25 MS. LAPORTE: YES.



BARRISTERS' REPORTING SERVICE

1 MS. BONNEVILLE: LAUREN MILLER.  
2 MS. MILLER: YES.  
3 MS. BONNEVILLE: ADRIANA PADILLA.  
4 DR. PADILLA: YES.  
5 MS. BONNEVILLE: JOE PANETTA.  
6 MR. PANETTA: YES.  
7 MS. BONNEVILLE: FRANCISCO PRIETO.  
8 DR. PRIETO: AYE.  
9 MS. BONNEVILLE: ROBERT QUINT.  
10 DR. QUINT: YES.  
11 MS. BONNEVILLE: AL ROWLETT.  
12 MR. ROWLETT: YES.  
13 MS. BONNEVILLE: JEFF SHEEHY.  
14 MR. SHEEHY: YES.  
15 MS. BONNEVILLE: OS STEWARD. JONATHAN  
16 THOMAS.  
17 CHAIRMAN THOMAS: YES.  
18 MS. BONNEVILLE: ART TORRES. DIANE  
19 WINOKUR.  
20 MS. WINOKUR: YES.  
21 MS. BONNEVILLE: MOTION CARRIES.  
22 MR. SHEEHY: THANK YOU. NOW I'LL TURN THE  
23 CHAIR OVER TO CHAIRMAN THOMAS FOR THE TRANSLATION  
24 ROUND ITEM ON THE AGENDA.  
25 CHAIRMAN THOMAS: THANK YOU, MR. SHEEHY.

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1 MEMBERS OF THE BOARD, YOU MAY RECALL  
2 PREVIOUSLY THAT YOU SET A BUDGET FOR THE DOLLAR  
3 AMOUNT OF AWARDS IN THE TRAN CATEGORY THAT COULD BE  
4 FUNDED IN THIS YEAR. GOING INTO THIS ROUND OF  
5 TRANSLATIONAL PROPOSALS, WE HAD A REMAINING AMOUNT  
6 OF \$15 MILLION.

7 AS YOU WILL SEE AND HAVE SEEN IN WHAT  
8 YOU'VE GOTTEN IN YOUR MATERIALS, THIS PARTICULAR  
9 INSTANCE THE GWG, AT ITS LAST REVIEW, RECOMMENDED  
10 FOR FUNDING A NUMBER OF PROJECTS THAT IN THIS CASE  
11 AGGREGATE TO A TOTAL AMOUNT OF \$16.6 MILLION. WE  
12 ARE NOT GOING TO EXCEED THE 15 MILLION PER PREVIOUS  
13 BOARD DECISION. SO WE WILL HAVE A PROCESS TODAY  
14 WHERE WE WILL BE FUNDING PROJECTS ON AN INDIVIDUAL  
15 BASIS UNTIL SUCH TIME AS WE'VE HIT THAT 15 MILLION.  
16 AND AT THAT POINT THAT WILL BE THE END OF WHAT WE  
17 WILL FUND THIS YEAR.

18 I'D LIKE TO PROCEED TO DR. SAMBRANO TO  
19 GIVE A REVIEW OF THE TRAN AWARD PROCEDURES.

20 DR. JUELSGAARD: BEFORE WE DO THAT, CAN  
21 ASK I ASK A QUESTION?

22 CHAIRMAN THOMAS: SURE.

23 DR. JUELSGAARD: AS OPPOSED TO THE PROCESS  
24 YOU JUST OUTLINED, WHICH IS A REASONABLE PROCESS, I  
25 DON'T DISAGREE WITH THAT, BUT THERE'S ANOTHER

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1 PROCESS THAT COULD POTENTIALLY BE USED, AT LEAST IN  
2 MY MIND, AND IT'S CALLED A PRO RATA PROCESS. IN  
3 ESSENCE, WHEN YOU LOOK AT THE AMOUNT OF FUNDS  
4 AVAILABLE, 15, AND TO SPREAD OVER THE \$16.5 MILLION,  
5 IF YOU CUT EACH OF THESE PROGRAMS BACK IN TERMS OF  
6 FUNDING BY ROUGHLY 10 PERCENT, YOU COULD ACHIEVE  
7 FUNDING OF ALL OF THEM, ALBEIT AT A LOWER AMOUNT  
8 THAN THEY REQUESTED, AND USE OF THE WHOLE \$15  
9 MILLION AND HAVE ACHIEVED FUNDING OF FOUR PROGRAMS  
10 INSTEAD OF SOMETHING LESS THAN THAT.

11 HAVE WE CONSIDERED THAT? IS THAT JUST NOT  
12 DOABLE? WHAT ABOUT THAT AS AN ALTERNATIVE?

13 CHAIRMAN THOMAS: DR. MILLS HAS A THOUGHT  
14 ON THAT.

15 DR. MILLS: YES. STEVE, THE PROBLEM WITH  
16 THAT IS IT ALTERS ALL OF THE AWARDS AND THEIR  
17 ACTIVITIES, MAKING THEM AWARDS THAT THE GWG DID NOT  
18 REVIEW AND, THEREFORE, UNABLE TO DETERMINE WHETHER  
19 OR NOT THE GWG'S RECOMMENDATIONS WOULD BE THE SAME  
20 GIVEN CUTTING THOSE VARIOUS ACTIVITIES OUT OF EACH  
21 AWARD. SO I THINK THE CIRM TEAM WOULD BE STRONGLY  
22 AGAINST DOING THAT.

23 DR. JUELSGAARD: WELL, IT JUST SEEMS ODD  
24 THAT WE HAVE THIS, WELL, LET'S KEEP RUNNING UNTIL  
25 SUDDENLY WITH A \$15 MILLION BUDGET AND, LET'S SAY,

BARRISTERS' REPORTING SERVICE

1 WE STILL HAVE \$3 MILLION TO GO, BUT WE HAVE SOMEBODY  
2 ASKING FOR FOUR MILLION AND WE JUST SAY, YOU KNOW,  
3 SORRY, WE CAN'T FUND YOU. OR THE ALTERNATIVE IS TO  
4 INCREASE THE BUDGET AMOUNT, WHICH IS SORT OF  
5 ANTITHETICAL TO THE WHOLE NATURE OF BUDGETING TO  
6 BEGIN WITH BECAUSE THE BUDGET IS SUPPOSED TO  
7 ESTABLISH THAT POINT BEYOND WHICH YOU DON'T GO, AT  
8 LEAST IN MY EXPERIENCE.

9 SO I'M REALLY LOOKING TO SEE IF THERE  
10 ISN'T SOME WAY OF DOING THIS THAT WILL GIVE US A  
11 BROAD RANGE OF PROJECTS BUT STAY WITHIN THE BUDGET.

12 CHAIRMAN THOMAS: STEVE, JUST TO MAKE ONE  
13 POINT. THE APPLICATION REVIEW SUBCOMMITTEE, EVEN IF  
14 IT WANTED TO, COULD NOT ADDRESS THE ISSUE OF  
15 INCREASING THE BUDGET BECAUSE THAT'S A MATTER FOR  
16 THE FULL BOARD. WE WANT TO STICK TO BUDGETARY  
17 DISCIPLINE HERE. AND SO THAT IS WHY WE'RE  
18 PROCEEDING WITH THE RECOMMENDED PROCEDURE HERE. BUT  
19 YOU'RE WELCOME TO RECOMMEND ANY OTHER IDEAS THAT YOU  
20 MIGHT WANT TO AT THIS POINT AS LONG AS WE CONFORM TO  
21 THAT SORT OF BASIC UNDERSTANDING.

22 DR. JUELSGAARD: SO OKAY. I'M A LITTLE  
23 BIT CONFUSED ABOUT WHAT KIND OF MEETING WE'RE HAVING  
24 HERE BECAUSE WHEN I LOOKED AT THE AGENDA THAT WAS  
25 SENT OUT, IT'S A REGULAR MEETING OF THE INDEPENDENT

BARRISTERS' REPORTING SERVICE

1 CITIZENS' OVERSIGHT COMMITTEE AND THE APPLICATION  
2 REVIEW SUBCOMMITTEE. SO I ACTUALLY THOUGHT WE  
3 WERE -- SO THE ICOC IS A LOT OF PEOPLE BEYOND THE  
4 APPLICATION REVIEW SUBCOMMITTEE. IT'S EVERYBODY.  
5 AND THEN THE APPLICATION REVIEW SUBCOMMITTEE IS JUST  
6 A PART OF THOSE PEOPLE. SO MAYBE I MISREAD THIS,  
7 BUT WHEN I LOOKED AT THE AGENDA, I THOUGHT EVERYBODY  
8 HAD THE POTENTIAL TO BE ON THE PHONE CALL, BUT  
9 THAT'S NOT CORRECT; IS THAT RIGHT?

10 CHAIRMAN THOMAS: NO. THAT IS CORRECT.  
11 AS IT HAPPENS, WE DON'T HAVE -- I'M SURE IF THERE  
12 ARE ANY MEMBERS -- DR. BERGLUND --

13 DR. JUELSGAARD: WE DIDN'T HAVE A QUORUM  
14 FOR CHANGING THE BUDGET. THAT'S WHAT YOU'RE SAYING?

15 CHAIRMAN THOMAS: CORRECT.

16 DR. JUELSGAARD: OKAY. GOT IT.

17 CHAIRMAN THOMAS: ANY OTHER -- YES. I  
18 THINK THE DISCUSSION ON THAT TOPIC WOULD HAVE TO BE  
19 NOTICED IN ANY EVENT, WHICH IT WAS NOT FOR THIS  
20 MEETING.

21 DR. JUELSGAARD: NO. I UNDERSTAND THAT.  
22 I JUST -- I GUESS I WISH WE MAYBE HAD DONE THINGS A  
23 LITTLE BIT DIFFERENTLY SO WE COULD HAVE ADDRESSED  
24 EITHER -- YOU KNOW, ONE OF THREE THINGS. EITHER WE  
25 PROCEED RIGHT NOW, WE FIND SOME OTHER MIDDLE GROUND,

BARRISTERS' REPORTING SERVICE

1 OR WE LOOK AT EXPANDING THE BUDGET, BUT HAVING SET  
2 THIS UP AHEAD OF TIME SO THAT THERE'S JUST ONLY ONE  
3 POTENTIAL OUTCOME, AND THAT IS SOMEBODY HAS GOT TO  
4 BE KNOCKED OFF THE LIST.

5 CHAIRMAN THOMAS: THAT IS CORRECT UNLESS  
6 THERE ARE ANY OTHER SUGGESTIONS ONE MIGHT THINK OF  
7 THAT CAN ADDRESS THAT ISSUE GIVEN THE PARAMETERS OF  
8 WHAT WE'RE TALKING ABOUT HERE. WE ARE LOOKING TO  
9 STRICTLY ADHERE TO OUR BUDGET AS A MATTER OF  
10 PRINCIPLE HERE.

11 OKAY. DR. SAMBRANO, CAN YOU PROCEED  
12 PLEASE.

13 DR. SAMBRANO: YES, ABSOLUTELY. SO JUST  
14 TO INTRODUCE THIS PROGRAM, THESE SLIDES ALSO WERE  
15 DISTRIBUTED TO YOU. ON THE FIRST SLIDE WE HAVE JUST  
16 THE OBJECTIVE OF THIS PROGRAM, WHICH IS, OF COURSE,  
17 TO SUPPORT PROMISING STEM CELL-BASED PROJECTS THAT  
18 ACCELERATE COMPLETION OF TRANSLATIONAL STAGE  
19 ACTIVITIES THAT WILL ALLOW THEM TO ADVANCE TO  
20 CLINICAL STUDY OR COMMERCIALIZATION IF IT'S A TOOL.

21 THIS PROGRAM, JUST AS A REMINDER, HAS AND  
22 SUPPORTS FOUR DIFFERENT TYPES OF PRODUCTS THAT CAN  
23 ADVANCE THROUGH THE TRANSLATION STAGE. THE IDEA  
24 BEHIND THIS IS TO TAKE PRODUCT CANDIDATES THAT ARE  
25 READY FOR TRANSLATION WHERE A PROOF OF CONCEPT HAS

BARRISTERS' REPORTING SERVICE

1 BEEN DEMONSTRATED, TAKE THEM THROUGH THE  
2 TRANSLATIONAL ACTIVITIES TO THE POINT WHERE THEY CAN  
3 HAVE A PRE-IND OR PRESUBMISSION MEETING WITH THE FDA  
4 OR IN THE CASE OF A TOOL FOR TRANSFER TO  
5 MANUFACTURING. AND THE FOUR TYPES OF PRODUCTS SHOWN  
6 ON THE SLIDE ARE A THERAPEUTIC, DIAGNOSTIC, A  
7 MEDICAL DEVICE, OR A TOOL.

8 AND ON THE FOLLOWING SLIDE, WE ALSO SHOW  
9 THAT, BECAUSE THESE PRODUCTS ARE DIFFERENT AND THE  
10 ACTIVITIES REQUIRED TO GET THEM THROUGH THE  
11 TRANSLATIONAL PHASE ARE A LITTLE BIT DIFFERENT,  
12 WE'VE ADJUSTED THE AWARD PARAMETERS SO THAT THE  
13 AMOUNT OF TIME THAT IS ALLOWED TO CONDUCT THESE  
14 ACTIVITIES IS A LITTLE BIT DIFFERENT. IT'S ABOUT  
15 TWO YEARS FOR MOST OF THEM EXCEPT A THERAPEUTIC  
16 WHERE WE ALLOW 30 MONTHS. AND THEN THE AWARD  
17 AMOUNT, THE CAP ON THESE IS DIFFERENT AS WELL  
18 DEPENDING ON THE PRODUCT TYPE, WITH FOUR MILLION  
19 BEING THE HIGHEST FOR THE THERAPEUTIC AND ONE  
20 MILLION FOR A TOOL, AND THE OTHER TWO ABOUT IN  
21 BETWEEN.

22 SOME KEY POINTS THAT WERE MADE TO THE GWG  
23 IN THEIR ASSESSMENT OF THESE APPLICATIONS, TO PUT  
24 THIS IN SOME CONTEXT, THE SAME REVIEW CRITERIA WERE  
25 APPLIED TO ALL FOUR PRODUCT TYPES. ALTHOUGH YOU DO

BARRISTERS' REPORTING SERVICE

1 HAVE APPLICATIONS THAT MAY LOOK A LITTLE DIFFERENT  
2 THAT ARE ALL PROPOSING SLIGHTLY DIFFERENT THINGS,  
3 THEY ALL ARE JUDGED USING THE SAME CRITERIA WITH THE  
4 ULTIMATE GOAL OF IDENTIFYING WHICH ARE THE BEST  
5 PROJECTS, AND NOT NECESSARILY TO RESERVE SLOTS FOR  
6 ANY GIVEN PRODUCT TYPE. SO THAT WAS MADE CLEAR TO  
7 THE GWG AS THEY WERE GOING THROUGH EACH OF THESE.

8 THE REVIEW CRITERIA THAT WERE UTILIZED ARE  
9 THE FOLLOWING FOUR, WHICH IS A SET OF GLOBAL  
10 CRITERIA WE USE. THE FIRST IS REALLY ASSESSING THE  
11 OVERALL VALUE THAT THE APPLICATION BRINGS AND HOW  
12 WELL ALIGNED IT IS TO THE OBJECTIVES OF THIS  
13 TRANSLATIONAL RFA AND THE ULTIMATE IMPACT THAT IT  
14 COULD HAVE ON PATIENTS. THE RATIONALE, WHETHER IT'S  
15 A PROPOSAL THAT MAKES SENSE AND IS SUPPORTED BY  
16 DATA. THAT IT'S WELL PLANNED AND DESIGNED. AND  
17 WHETHER IT'S FEASIBLE, INCLUDING HAVING THE  
18 APPROPRIATE RESOURCES AND A QUALIFIED TEAM TO TAKE  
19 ON THESE ACTIVITIES.

20 ALL RIGHT. SO THAT'S AN OVERVIEW OF THE  
21 PROGRAM. THE RECOMMENDATIONS FOR THE GWG, JUST  
22 BEFORE WE START, A REMINDER OF THE SCORING SYSTEM  
23 WHICH IS DIFFERENT FROM THE CLINICAL PROGRAM WE JUST  
24 WENT OVER. THE SYSTEM HERE IS A SCORE OF 1 TO 100  
25 IS UTILIZED, AND THEY FALL INTO TWO CATEGORIES WHERE



BARRISTERS' REPORTING SERVICE

1 THE MEDIAN SCORE FALLS BETWEEN 85 AND 100. THOSE  
2 APPLICATIONS ARE DEEMED TO BE OF EXCEPTIONAL MERIT  
3 AND WARRANT FUNDING AND, THEREFORE, RECOMMENDED.  
4 THOSE THAT HAVE A MEDIAN SCORE OF 1 TO 84 ARE NOT  
5 RECOMMENDED FOR FUNDING.

6 AND THERE'S A TABLE SHOWING THAT THERE ARE  
7 FOUR APPLICATIONS THAT FELL INTO THE TOP FUNDING  
8 CATEGORY AND, AS WAS INDICATED BEFORE, THE TOTAL  
9 AMOUNT FOR AWARDS EXCEEDS THE \$15 MILLION THAT WERE  
10 ALLOCATED FOR THIS PARTICULAR CYCLE. IT TOTALS TO  
11 16.6 MILLION, AND THERE ARE 13 ADDITIONAL  
12 APPLICATIONS LISTED THAT ARE NOT RECOMMENDED FOR  
13 FUNDING.

14 ON THE FINAL SLIDE, JUST A REMINDER IN  
15 TERMS OF THE PROCESS THAT WE USE FOR ALL OUR REVIEWS  
16 NOW, THAT WE HAVE A VOTE TAKEN BY THE GWG. ALL  
17 MEMBERS VOTE ON WHETHER THE PROCESS THAT WAS USED  
18 WAS SCIENTIFICALLY RIGOROUS, WHETHER THERE WAS  
19 ENOUGH TIME FOR ALL VIEWPOINTS TO BE HEARD, AND THAT  
20 THE SCORES REFLECT THE RECOMMENDATION OF THE GWG.  
21 AND THEN THE ICOC PATIENT ADVOCATE MEMBERS VOTE ON  
22 WHETHER THE REVIEW WAS CARRIED OUT IN A FAIR MANNER  
23 AND WAS FREE FROM UNDUE BIAS. IN BOTH CASES THE GWG  
24 VOTED UNANIMOUSLY IN FAVOR OF THESE.

25 CHAIRMAN THOMAS, BACK TO YOU.

BARRISTERS' REPORTING SERVICE

1           CHAIRMAN THOMAS: THANK YOU, DR. SAMBRANO.  
2           SO THE FIRST THING WE'RE GOING TO DO IS TO -- COULD  
3           YOU PUT UP THE -- DR. SAMBRANO, PUT UP THE  
4           SPREADSHEET? WAITING, MEMBERS OF THE BOARD. OKAY.  
5           SO WE HAVE ON THE SCREEN HERE AND ON YOUR SCREENS  
6           THE LIST OF THE PROJECTS AND THOSE RECOMMENDED FOR  
7           FUNDING AND THOSE NOT RECOMMENDED FOR FUNDING.  
8           WE'RE GOING TO TURN FIRST TO THOSE NOT RECOMMENDED  
9           FOR FUNDING, AND WE'LL ENTERTAIN A MOTION  
10          REFERENCING THOSE IN ONE SECOND. BUT IN ADVANCE OF  
11          THAT, ARE THERE ANY MEMBERS OF THE PUBLIC EITHER  
12          HERE IN OUR OFFICE OR AT ANY OF THE NOTICED  
13          LOCATIONS FOR THIS MEETING THAT WOULD LIKE TO GIVE A  
14          PUBLIC COMMENT WITH RESPECT TO ANYTHING CONNECTED TO  
15          THE PROJECTS NOT RECOMMENDED FOR FUNDING?

16                 DON REED IS HERE AND WOULD LIKE TO SPEAK  
17                 TO THAT ISSUE. WELCOME, MR. REED.

18                 MR. REED: THANK YOU. MY RECOMMENDATION  
19                 IS TRAN1-09326. THIS IS EMBRYONIC STEM CELL-DERIVED  
20                 NATURAL KILLER CELLS FOR CANCER TREATMENT. I'VE  
21                 KNOWN THE SCIENTIST FOR MANY YEARS. I WORKED WITH  
22                 HIM ON THE MICHIGAN EFFORT TO MAKE EMBRYONIC STEM  
23                 CELL RESEARCH LEGAL IN THAT STATE. I WAS A PART OF  
24                 THE PROCESS OF GETTING HIM OUT HERE. HE'S NOW AT  
25                 ONE OF THE MOST OUTSTANDING CALIFORNIA STEM CELL

BARRISTERS' REPORTING SERVICE

1 LABORATORIES IN THE WORLD.

2 THIS IS A REVOLUTIONARY NEW WAY OF  
3 TREATING CANCER. THIS FIRST EFFORT IS FOR AML, THE  
4 MOST DEADLY FORM OF LEUKEMIA WHICH KILLED MY SISTER  
5 PATTY AND 10,000 PEOPLE A YEAR.

6 IF WOULD BE OFF-THE-SHELF IMMUNE THERAPY.  
7 I'VE SEEN HIS OTHER WORK ON CANCER, AND IT IS  
8 AMAZING. I'VE SEEN 13 RATS WHICH WERE LITERALLY  
9 EATEN UP BY CANCER AND THEN COMPLETELY HEALED. IT  
10 IS JUST AMAZING. THIS IS THE HOME RUN.

11 I WOULD LIKE TO SEE THE ICOC RECONSIDER  
12 THIS VERY IMPORTANT PROJECT. THANK YOU.

13 CHAIRMAN THOMAS: THANK YOU, MR. REED.

14 ARE THERE OTHER MEMBERS OF THE PUBLIC THAT  
15 WOULD LIKE TO SPEAK TO ANY PROJECTS IN THE NOT  
16 RECOMMENDED FOR FUNDING CATEGORY? ANYBODY ON THE  
17 PHONE THAT WOULD LIKE TO GIVE PUBLIC COMMENT ON THAT  
18 TOPIC?

19 HEARING NO FURTHER COMMENT, ARE THERE ANY  
20 MEMBERS OF THE APPLICATION REVIEW SUBCOMMITTEE THAT  
21 WOULD WISH TO MOVE ANY TIER II PROJECTS, I.E., THOSE  
22 NOT RECOMMENDED FOR FUNDING, UP TO TIER I?

23 MS. LAPORTE: JUST A QUESTION. COULD YOU  
24 REMIND ME, FOR PROJECTS LIKE THIS ONE THAT'S BEEN  
25 JUST DESCRIBED FOR US BUT DIDN'T GET THE SCORES TO

BARRISTERS' REPORTING SERVICE

1 BE APPROVED, THE NEXT PROCESS FOR THEM TO GO BACK  
2 AND WORK ON THE DEFICIENCIES THAT WERE IDENTIFIED  
3 WILL BE WHAT?

4 DR. SAMBRANO: THE NEXT DEADLINE FOR THE  
5 TRANSLATIONAL PROGRAM IS DECEMBER 15TH. SO THEY CAN  
6 NEXT MONTH RESUBMIT THEIR APPLICATION.

7 MS. LAPORTE: OKAY. THAT'S HELPFUL.  
8 THANK YOU.

9 CHAIRMAN THOMAS: OKAY. HEARING NO  
10 RECOMMENDATIONS TO MOVE ANY TIER II PROJECT TO TIER  
11 I, WE'LL THEN LOOK FOR A MOTION NOT TO FUND THOSE  
12 PROJECTS IN TIER II. DO I HEAR SUCH A MOTION?

13 MR. ROWLETT: SO MOVED.

14 CHAIRMAN THOMAS: MOVED BY MR. ROWLETT.

15 DR. HIGGINS: SECOND.

16 CHAIRMAN THOMAS: OKAY. THANK YOU. IT'S  
17 BEEN MOVED AND SECONDED. ANY DISCUSSION BY MEMBERS  
18 OF THE BOARD? OKAY. MARIA, PLEASE CALL THE ROLL.

19 MS. BONNEVILLE: ANNE-MARIE DULIEGE.  
20 DAVID HIGGINS.

21 DR. HIGGINS: YES.

22 MS. BONNEVILLE: STEVE JUELSGAARD.

23 DR. JUELSGAARD: YES.

24 MS. BONNEVILLE: KATHY LAPORTE.

25 MS. LAPORTE: YES.

BARRISTERS' REPORTING SERVICE

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MS. BONNEVILLE: LAUREN MILLER.  
MS. MILLER: YES.  
MS. BONNEVILLE: ADRIANA PADILLA.  
DR. PADILLA: YES.  
MS. BONNEVILLE: JOE PANETTA.  
MR. PANETTA: YES.  
MS. BONNEVILLE: FRANCISCO PRIETO.  
DR. PRIETO: AYE.  
MS. BONNEVILLE: ROBERT QUINT.  
DR. QUINT: ABSTAIN.  
MS. BONNEVILLE: JONATHAN THOMAS.  
CHAIRMAN THOMAS: AYE.  
MS. BONNEVILLE: ART TORRES. DIANE  
WINOKUR.  
MS. WINOKUR: YES.  
MS. BONNEVILLE: THANK YOU.  
MR. ROWLETT: MARIA, I DID NOT HEAR MY  
NAME CALLED. THIS IS AL ROWLETT.  
AL.  
MR. ROWLETT: YES.  
MS. BONNEVILLE: THANK YOU. MOTION  
CARRIES.  
CHAIRMAN THOMAS: THANK YOU. WE'LL NOW  
PROCEED TO THE TIER I PROJECTS. WE'RE GOING TO  
ENTERTAIN MOTIONS FOR INDIVIDUAL PROJECTS WHICH WE

BARRISTERS' REPORTING SERVICE

1 WILL TAKE IN TURN. AND AS WITH THE PROJECTS NOT  
2 RECOMMENDED FOR FUNDING, DO WE HAVE ANY PUBLIC  
3 COMMENT IN ADVANCE OF THAT DISCUSSION FROM EITHER  
4 SOMEONE HERE OR AT ANY OF THE NOTICED LOCATIONS? WE  
5 HAVE ONE PUBLIC COMMENT HERE AT HEADQUARTERS.

6 DR. HELMS: MY NAME IS JILL HELMS. AND  
7 TOGETHER WITH THE ICOC, WE WORKED FOR EIGHT YEARS ON  
8 DEVELOPING THIS THERAPY OF MOVING AN IDEA TO A  
9 REALITY. I'M THE PI ON ONE OF THE GRANTS IN TIER I  
10 THAT HAS BEEN STATED BY THE GRANTS WORKING GROUP AS  
11 EXCEPTIONALLY MERITORIOUS. WE ARE BY SCORE THE  
12 SECOND HIGHEST SCORE, BY MEAN THE LOWEST OF THE  
13 FOUR. THEREFORE, I'M HERE TO ASK YOU TO THINK  
14 CREATIVELY ABOUT WAYS TO DEAL WITH THE BUDGET  
15 DEFICIT.

16 I FULLY RESPECT CIRM'S ADHERENCE TO A  
17 BUDGET. I WOULD ASK YOU TO CONSIDER MORE BROADLY  
18 THE SUGGESTIONS RAISED BY ANOTHER ICOC BOARD MEMBER  
19 ABOUT SPREADING OUT THE SHORTFALL AMONG THE FOUR  
20 GRANTS.

21 I RECOGNIZE THAT NOBODY LIKES TO HAVE  
22 THEIR GRANTS CUT, BUT ANYBODY WHO HAS GOTTEN FEDERAL  
23 FUNDING RECOGNIZES THAT'S THE STATE OF HOW FUNDING  
24 GOES. TEN PERCENT DIFFERENCE IS NOT OVERLY ONEROUS.

25 THERE ARE OTHER OPTIONS THAT I WOULD LIKE

BARRISTERS' REPORTING SERVICE

1 TO SUGGEST THAT THE BOARD CONSIDER, SUCH AS A GRANT  
2 THAT HAS BEEN GIVEN A TIER I SCORE MAY BE FUNDED IN  
3 THE NEXT ROUND, WHICH DR. SAMBRANO SUGGESTED IS IN  
4 THE NEAR FUTURE. I DON'T KNOW WHEN THE NEXT ICOC  
5 APPROVAL WOULD BE.

6 ANOTHER POSSIBILITY IS THAT THE FUNDS GET  
7 DISBURSED TO THOSE WHO HAVE CO-FUNDING WHERE A  
8 DOLLAR GOES FURTHER.

9 I HOPE THAT YOU WILL CONSIDER THESE  
10 SUGGESTIONS IN YOUR VOTE. THANK YOU.

11 CHAIRMAN THOMAS: THANK YOU, DR. HELMS.  
12 ANY OTHER MEMBERS OF THE PUBLIC LIKE TO MAKE A  
13 COMMENT ON THE TIER I PROJECTS AT THIS TIME? OKAY.

14 SO LET'S NOW PROCEED. YOU'VE HEARD --  
15 YOU'VE HAD DISCUSSION WITH MR. JUELSGAARD,  
16 SUGGESTIONS FROM DR. HELMS. WITH ALL OF THAT IN  
17 MIND, WE NOW PROCEED TO THE PROJECTS FOR FUNDING.

18 DOES ANYBODY HAVE A -- IF YOU ARE LOOKING  
19 AT YOUR SPREADSHEET, DOES ANYBODY HAVE A PROJECT IN  
20 TIER I THAT THEY WOULD LIKE TO MOVE FOR FUNDING?

21 DR. JUELSGAARD: CHAIRMAN THOMAS, BEFORE  
22 WE HAVE THAT DISCUSSION, CAN I ASK A COUPLE OF  
23 QUESTIONS WHICH I THINK ARE RELEVANT TO ANY OF THIS  
24 DISCUSSION?

25 CHAIRMAN THOMAS: ALWAYS, MR. JUELSGAARD.

BARRISTERS' REPORTING SERVICE

1 DR. JUELSGAARD: SO THE FIRST IS WHAT I  
2 WOULD LIKE TO UNDERSTAND, THESE ARE VERY DIVERGENT  
3 QUESTIONS, BUT THE FIRST IS WHAT OTHER PROGRAMS WE  
4 CURRENTLY FUND THAT ARE IN THESE THERAPEUTIC AREAS.  
5 SO ESSENTIALLY WE HAVE, DEPENDING ON HOW YOU COUNT  
6 THEM, EITHER THREE OR FOUR THERAPEUTIC AREAS. THE  
7 FIRST IS ALZHEIMER'S DISEASE. SO HOW MANY OTHER  
8 PROGRAMS ARE WE FUNDING THERE?

9 THE SECOND IS IN SICKLE CELL DISEASE. SO  
10 HOW MANY OTHER PROGRAMS ARE WE FUNDING THERE?

11 AND THEN THE THIRD IS IN CARTILAGE REPAIR.  
12 THE FOURTH BONE REPAIR. HOW MANY PROJECTS ARE WE  
13 FUNDING IN EACH OF THOSE OR COLLECTIVELY? THAT'S  
14 THE FIRST QUESTION.

15 SO THIS IS A PROGRAMMATIC REVIEW. AND FOR  
16 ME IT'S IMPORTANT TO UNDERSTAND IF WE'RE ALREADY  
17 SUPPORTING FOUR PROGRAMS IN ONE AREA AND BUT NONE IN  
18 ANOTHER MAYBE THAT COLORS HOW YOU THINK ABOUT THIS.

19 THE SECOND IS I GO BACK TO THE SUGGESTION  
20 THAT WAS MADE BY THE PUBLIC COMMENTER JUST A LITTLE  
21 BIT AGO. WHICH OF THESE PROGRAMS THAT ARE BEING  
22 RECOMMENDED AS TIER I, WHICH OF THEM HAVE CO-FUNDING  
23 ASSOCIATED WITH THEM, AND WHAT IS THE AMOUNT OF THAT  
24 CO-FUNDING? THOSE ARE MY QUESTIONS. I'D LIKE TO DO  
25 THAT BEFORE WE GET INTO STARTING WITH ANY ONE



BARRISTERS' REPORTING SERVICE

1 PARTICULAR PROJECT BECAUSE I THINK, FOR ME ANYWAY,  
2 WE NEED SOME BACKGROUND INFORMATION BEFORE WE JUST  
3 START MARCHING DOWN A PATH ONE BY ONE BY ONE. WE  
4 KIND OF NEED TO UNDERSTAND THEM IN THE CONTEXT OF  
5 THESE BIGGER ISSUES.

6 CHAIRMAN THOMAS: DR. SAMBRANO, DO YOU  
7 WANT TO ADDRESS TO THE EXTENT YOU CAN AT THE MOMENT  
8 HERE?

9 DR. SAMBRANO: SO I DON'T HAVE PRECISE  
10 DATA ON WHAT OTHER PROJECTS WE HAVE. THAT IS  
11 SOMETHING THAT WE CAN GET TO YOU. I CAN TELL YOU WE  
12 HAVE PROJECTS THAT RELATE TO EACH OF THESE  
13 INDICATIONS AT SOME STAGE OF DEVELOPMENT THAT ARE  
14 CURRENTLY FUNDED, BUT THAT DIFFER FROM ALL OF THESE.  
15 THERE IS ONE PROJECT THAT HAS CO-FUNDING, WHICH IS  
16 APPLICATION 9270, AND I CAN LOOK UP WHAT THAT  
17 CO-FUNDING AMOUNT IS. WE REQUIRE FOR THIS STAGE A  
18 20-PERCENT FUNDING FOR A FOR-PROFIT ENTITY THAT  
19 COMES IN. SO THIS ONE PROVIDED 20 PERCENT  
20 CO-FUNDING.

21 DR. JUELGAARD: WELL, LET ME JUST  
22 RECOMMEND THAT IN THE FUTURE, IF WE'RE GOING TO HAVE  
23 THESE KINDS OF EVALUATIONS WHERE WE'VE GOT FOUR  
24 OUTSTANDING CANDIDATES, BUT SOMEBODY IS NOT GOING TO  
25 GET THE MONEY, IN AT LEAST THE WAY WE CURRENTLY

BARRISTERS' REPORTING SERVICE

1 STRUCTURE IT, THAT WE HAVE AVAILABLE TO US THE  
2 INFORMATION ON THE NUMBER OF PROGRAMS THAT WE ARE  
3 CURRENTLY FUNDING IN ANY PARTICULAR THERAPEUTIC AREA  
4 BECAUSE, AT LEAST FOR ME, THAT'S A CONSIDERATION IN  
5 HOW TO THINK ABOUT THIS. IF WE ALREADY HAVE THREE  
6 PROGRAMS, FOR EXAMPLE, IN SICKLE CELL DISEASE,  
7 ALBEIT DIFFERENT PROGRAMS, UNDERSTOOD, BUT WE'RE  
8 ALREADY FUNDING THREE AND WE ARE NOT FUNDING ONE IN  
9 ANOTHER AREA, THAT MIGHT WELL AFFECT HOW I THINK  
10 ABOUT ANY DESIRE TO FUND SICKLE DISEASE, FOR  
11 EXAMPLE. JUST A QUESTION, BUT I THINK A REASONABLE  
12 ONE.

13 CHAIRMAN THOMAS: YES. DULLY NOTED.  
14 THANK YOU.

15 ANY OTHER COMMENTS BEFORE WE ENTERTAIN  
16 MOTIONS HERE?

17 MR. PANETTA: MR. CHAIRMAN, I JUST WANT TO  
18 FOLLOW ON WITH JUST ONE QUESTION THAT FOLLOWS ON  
19 WHAT STEVE WAS ASKING, PLEASE.

20 CHAIRMAN THOMAS: CERTAINLY.

21 MR. PANETTA: THANK YOU.

22 SO THE REMAINDER OF THESE PROJECTS THAT  
23 FALL INTO TIER II, IF I UNDERSTAND CORRECTLY, ARE  
24 ABLE TO RETURN IN THE NEXT CYCLE AND REAPPLY. AND  
25 IN REAPPLYING, ANY OF THESE THAT THEN FALL

BARRISTERS' REPORTING SERVICE

1 DOLLARWISE WITHIN THE \$15 MILLION LIMIT THAT WE HAVE  
2 COULD COME BACK AND ANY OF THEM COULD POTENTIALLY  
3 OBTAIN THE FULL FUNDING REQUEST THAT THEY PUT IT IN  
4 THE NEXT CYCLE, CORRECT?

5 DR. MILLS: SO WE HAVE A REVIEW SCHEDULED,  
6 AS GIL MENTIONED, AND AN APPLICATION DEADLINE OF  
7 DECEMBER 15TH. ASSUMING THAT THE TRANSLATION  
8 PROGRAM IS REBUDGETED, RE-FUNDED BY THE BOARD, WE  
9 WILL BE BRINGING THAT MOTION TO THE BOARD IN  
10 DECEMBER. SO UNTIL THAT TIME, WHILE WE'RE PLANNING  
11 THAT REVIEW AND THAT APPLICATION, I THINK IT'S  
12 IMPORTANT TO UNDERSTAND THAT MONEY HAS NOT YET BEEN  
13 APPROVED BY THE BOARD.

14 MR. PANETTA: OKAY. BUT AS YOU WERE  
15 SAYING BEFORE, THERE'S A NEED FOR THE BOARD TO  
16 APPROVE THE FULL BUDGET BEFORE WE CAN MAKE ANY  
17 DECISIONS ON EXTRA FUNDING FOR ANY OF THESE FOUR  
18 THAT WOULD NOT OBTAIN THE FULL FUNDING. BUT WHAT  
19 SEEMS TO ME TO BE A BIT OF AN INCONSISTENCY IS WE'VE  
20 GOT PROJECTS HERE THAT WERE VERY HIGHLY SCORED, AND  
21 AT LEAST ONE OF THESE IS NOT GOING TO BE FULLY  
22 FUNDED, WHEN IN THE NEXT CYCLE, IF THE BOARD  
23 APPROVES THE FULL \$15 MILLION, THEN YOU COULD HAVE  
24 PROJECTS IN THE SECOND TIER THAT POTENTIALLY WOULD  
25 NOT SCORE AS HIGH AS THE FIRST TIER AND COME BACK

BARRISTERS' REPORTING SERVICE

1 AND OBTAIN FULL FUNDING, CORRECT?

2 DR. MILLS: I DON'T FOLLOW THAT LAST. I  
3 MEAN THE BOARD HAS THE ABILITY TO FUND ANY OF THE  
4 PROGRAMS IT WANTS TO FUND PROVIDED -- OR THE  
5 APPLICATION REVIEW SUBCOMMITTEE HAS THE ABILITY TO  
6 FUND ANY PROGRAMS IT WISHES TO FUND PROVIDED IT  
7 DOESN'T EXCEED THE BOARD-APPROVED BUDGET. THAT'S  
8 PART OF THIS PROGRAMMATIC DECISION.

9 SO THINGS CAN BE MOVED -- JUST LIKE  
10 EARLIER, THINGS COULD BE MOVED OUT OF TIER II INTO  
11 TIER I AND FUNDED. THAT'S FOR YOU TO DECIDE.

12 MR. PANETTA: WE CAN'T DECIDE TODAY TO PUT  
13 MORE FUNDING TOWARD THESE TIER I PROJECTS BECAUSE WE  
14 DON'T HAVE A FULL BOARD. WE CAN'T DO A FULL BOARD  
15 VOTE, RIGHT?

16 CHAIRMAN THOMAS: THAT'S CORRECT.

17 DR. MILLS: AND IT'S NOT NOTICED.

18 MS. LAPORTE: WE CAN PARTIALLY FUND THE  
19 FOURTH PROGRAM, YES?

20 CHAIRMAN THOMAS: YES, THAT WOULD BE  
21 CORRECT.

22 MR. HARRISON: ONE CLARIFICATION THERE. I  
23 THINK, IN ORDER TO FUND WHAT WAS PROPOSED TO THE GWG  
24 AND RECOMMENDED FOR APPROVAL, WOULD HAVE TO BE  
25 CONTINGENT UPON THE APPLICANT BEING ABLE TO MAKE UP

BARRISTERS' REPORTING SERVICE

1 THE REMAINDER SO THAT THE PROGRAM COULD BE COMPLETED  
2 AS PROPOSED.

3 CHAIRMAN THOMAS: YES. WE CAN'T PARTIALLY  
4 FUND SO AS TO SAY WE REDUCE THE SCOPE OF THE PROJECT  
5 TO THAT DOLLAR AMOUNT BECAUSE THAT'S NOT WHAT THE  
6 GWG REVIEWED. HOWEVER, YOU COULD IN THEORY  
7 PARTIALLY FUND SOMETHING IF THAT PARTICULAR  
8 APPLICANT WOULD AGREE TO PROVIDE THE BALANCE OF THE  
9 FUNDING SO THAT YOU'D HAVE THE PROJECT AS ORIGINALLY  
10 ENVISIONED IN ITS FULL SCOPE.

11 MS. LAPORTE: AND THE ALTERNATIVE IS THIS  
12 APPLICANT BRINGS IT BACK NEXT MONTH?

13 DR. MILLS: THAT, THEN, IS AN OPTION.

14 CHAIRMAN THOMAS: WHICH?

15 MR. PANETTA: WHAT I'M GETTING AT, THAT I  
16 THINK I JUST GOT THE ANSWER, IS DOES THIS APPLICANT  
17 HAVE THE OPPORTUNITY TO RETURN AND TO ASK FOR THE  
18 ADDITIONAL FUNDING IN THE NEXT CYCLE?

19 CHAIRMAN THOMAS: I DON'T THINK THAT'S  
20 WHAT WE WERE DISCUSSING.

21 DR. MILLS: THEY WOULD HAVE THE  
22 OPPORTUNITY TO TURN DOWN THE PARTIAL AWARD AND  
23 RECOMPETE FOR THE FULL AMOUNT IN THE NEXT, BUT THEM  
24 ACCEPTING THE PARTIAL FUNDING WOULD BE CONTINGENT  
25 UPON THEIR ABILITY TO PRODUCE THE CO-FUNDING

BARRISTERS' REPORTING SERVICE

1 REQUIRED TO MEET THE FULL AWARD VALUE.

2 MR. PANETTA: THANK YOU.

3 DR. JUELSGAARD: CAN I ASK JUST A QUESTION  
4 ABOUT BUDGETING FOR A MOMENT SO THAT I UNDERSTAND?  
5 SO EXPLAIN TO ME THE BUDGETING PROCESS. SO THIS IS  
6 \$15 MILLION LEFT OUT OF SOME BUDGET THAT WAS  
7 ESTABLISHED WHEN?

8 MR. HARRISON: STEVE, IT'S JAMES HARRISON.  
9 INITIALLY THE BOARD IN DECEMBER OF 2015 APPROVED A  
10 \$45 MILLION BUDGET FOR TWO TRAN ROUNDS THIS CALENDAR  
11 YEAR. HOWEVER, IN RESPONSE TO THE APPLICATIONS  
12 SUBMITTED TO THE FIRST ROUND OF TRAN AWARDS, THE  
13 BOARD APPROVED APPLICATIONS THAT COMPRISED THE  
14 ENTIRE AMOUNT THAT WAS ALLOCATED. SUBSEQUENT TO  
15 THAT, BECAUSE THE BOARD HAD INDICATED THAT THERE  
16 WOULD BE A SECOND OPPORTUNITY FOR APPLICANTS TO  
17 APPLY FOR TRAN AWARDS IN 2016, THE BOARD APPROVED A  
18 SUPPLEMENTAL \$15 MILLION BUDGET FOR THIS ROUND.

19 ON A GOING-FORWARD BASIS, WE WILL PROPOSE  
20 ANNUAL BUDGETS FOR EACH RESEARCH PROGRAM TO THE  
21 BOARD, AND WE WILL BE PRESENTING THOSE  
22 RECOMMENDATIONS TO YOU AT THE MEETING IN DECEMBER.

23 DR. JUELSGAARD: SO I'M GOING TO GO BACK  
24 TO THE PROCESS OF BUDGETING FOR A MOMENT JUST TO  
25 UNDERSTAND HOW IT WORKS BECAUSE IT CAN WORK IN

BARRISTERS' REPORTING SERVICE

1 DIFFERENT WAYS. SO THAT \$45 MILLION THAT WAS  
2 ORIGINALLY APPROVED, HAS ANY OF THAT MONEY COME BACK  
3 AROUND INTO THE ORGANIZATION BECAUSE PROJECTS HAVE  
4 EITHER DOWNSIZED OR FALLEN BY THE WAYSIDE? IN OTHER  
5 WORDS, THE PRINCIPLE HERE IS, AND SOME COMPANIES  
6 BUDGET THIS WAY, ETC., IF YOU ESTABLISH AN OVERALL  
7 BUDGET, LET'S SAY IT'S \$50 MILLION, TO CONDUCT  
8 ACTIVITIES AND YOU IDENTIFY AT THE OUTSET THE  
9 ACTIVITIES YOU ARE GOING TO FUND AND ALONG THE WAY  
10 ONE OF THOSE ACTIVITIES JUST FALLS BY THE WAYSIDE.  
11 LET'S SAY IT'S A \$5 MILLION ACTIVITY AND THEY SPENT  
12 A MILLION AND THE OTHER FOUR NOW SUDDENLY ISN'T  
13 GOING TO BE SPENT. YOU CAN EITHER, WELL, JUST  
14 FORGET ABOUT THAT OTHER FOUR. IT'S GOING TO COME  
15 BACK INTO THE GENERAL COFFERS. OR YOU CAN SAY, NO,  
16 IT GOES BACK INTO THE SPECIFIC BUDGET WE CREATED.  
17 IT NOW CREATES ROOM FOR \$4 MILLION OF OTHER  
18 ACTIVITIES THAT WEREN'T ORIGINALLY ANTICIPATED WHEN  
19 THE MONEY WAS ALLOCATED IN THE BUDGETING PROCESS.  
20 THIS IS WHAT I'M TRYING TO GET TO.

21 SO THE ORIGINAL 45 APPROVED BACK IN  
22 DECEMBER, HAS ANY OF THAT MONEY COME BACK AROUND  
23 BECAUSE SOMEBODY SAID, WELL, THANK YOU, BUT WE  
24 DECIDED TO EITHER STOP THE PROGRAM OR WE'RE  
25 DOWNSIZING IT OR WE TOOK, WE CIRM, TOOK THE

BARRISTERS' REPORTING SERVICE

1 INITIATIVE FOR THAT TO HAPPEN. SO I'M JUST TRYING  
2 TO FIGURE OUT BUDGETING FOR A MOMENT. IF THE  
3 BUDGETING IS JUST, WELL, THIS IS THE AMOUNT OF MONEY  
4 WE'RE WILLING TO GRANT AND WE DON'T CONSIDER  
5 ROUND-TRIPPING IT, THEN THAT'S ANOTHER ISSUE I'D  
6 LIKE TO RAISE AT THE UPCOMING BOARD MEETING.

7 MR. HARRISON: STEVE, LET ME JUST CORRECT  
8 ONE STATEMENT I MADE. THE INITIAL ALLOCATION WAS 30  
9 MILLION.

10 DR. MILLS: AND THE BOARD MADE THE  
11 DECISION WE RECOMMENDED TO GO FROM TWO TRAN CYCLES A  
12 YEAR TO THREE. SO WE HAD FINISHED THE 30. THAT WAS  
13 DONE AND THAT PROGRAM WAS CLOSED. WHEN WE MADE THE  
14 DECISION TO GO TO THREE, WE BASICALLY CREATED A  
15 STANDALONE \$15 MILLION BUDGET, WHICH IS THE ONE WE  
16 HAVE NOW. SO IT'S A DISCRETE BUCKET ALL IN ITSELF.  
17 THE 15 ISN'T THE REMAINDER OF THE 45. THERE IS NO  
18 45. THERE IS A THIRTY THAT WAS DONE AND FINISHED,  
19 AND NOW THERE'S A SEPARATE FIFTEEN.

20 WITH REGARDS TO DOES MONEY COME BACK,  
21 MONEY COMES BACK ALL THE TIME. IT'S A MOVING  
22 PROGRAM. BUT WE'RE MOVING TO -- AND THIS IS THE  
23 LAST ONE OF THESE. WHAT WE'RE MOVING TO IS AN  
24 ANNUALIZED BUDGET, WHICH WE'LL BE BRINGING TO THE  
25 BOARD IN DECEMBER, WHICH WILL LAY OUT AN ANNUAL



BARRISTERS' REPORTING SERVICE

1 BUDGET FOR DISCOVERY, TRANSLATIONAL, AND CLINICAL  
2 THAT THEN THE BOARD CAN DELIBERATE BETWEEN THOSE HOW  
3 MUCH THEY WANT TO SPEND IN EACH OF THOSE AREAS WITH  
4 GUIDELINES PER REVIEW, BUT THOSE GUIDELINES WON'T BE  
5 HARD CAPPED. SO THE ONLY THING THAT WILL BE A HARD  
6 CAP WILL BE THE ULTIMATE FULL YEAR OF BUDGET AMOUNT.

7 DR. JUELSGAARD: I UNDERSTAND, RANDY, WHAT  
8 YOU JUST SAID IS WE'RE NOT GOING TO BUDGET PER  
9 ROUND. WE'RE BUDGETING IT PER PROGRAM, RIGHT? SO  
10 THE TRANSLATIONAL PROGRAM WILL GET X MILLION DOLLARS  
11 OF BUDGET. WHETHER THERE'S ONE ROUND OR FIFTEEN  
12 ROUNDS, IT'S THE SAME AMOUNT OF MONEY.

13 DR. MILLS: RIGHT. EXACTLY. SO WE WILL  
14 BUDGET AN APPROXIMATED AMOUNT. SO WE WILL ASSUME,  
15 TRANS, FOR EXAMPLE, I THINK WE'RE GOING TO BE ASKING  
16 FOR THREE \$15 MILLION ROUNDS, BUT THE ONLY CAP WILL  
17 BE ON 45. IT WON'T BE ON EACH OF THE THREE  
18 DISCRETELY. THIS ONE IS AN ANOMALY.

19 DR. JUELSGAARD: WHAT I'D LIKE TO HAVE US  
20 CONSIDER WHEN WE GET TO THE NEXT BOARD MEETING IS  
21 WHAT I CALL THE ROUND-TRIPPING OF UNSPENT MONEY;  
22 THAT IS, MONEY THAT DOESN'T GET SPENT GOES RIGHT  
23 BACK INTO THAT BUDGET BECAUSE WE AGREE WE WERE  
24 WILLING TO SPEND UP TO \$50 MILLION OR WHATEVER THE  
25 NUMBER IS IN THIS PARTICULAR AREA AND THIS

BARRISTERS' REPORTING SERVICE

1 PARTICULAR YEAR. AND IF SOME OF IT FALLS BY THE  
2 WAYSIDE ALONG THE WAY STILL WITHIN THAT YEAR OUGHT  
3 TO COME BACK INTO THE BUDGET. YOU UNDERSTAND WHAT I  
4 JUST SAID?

5 DR. MILLS: WE COMPLETELY DO. UNDERSTAND,  
6 MOST OF THE TIME WHEN MONEY COMES BACK, THAT'S BEEN  
7 COMMITTED AND IT COMES BACK, IT COMES BACK A LITTLE  
8 BIT LATER THEN WOULD BE --

9 MR. JUELGAARD: AND THAT'S HARD.

10 DR. MILLS: -- REALLOCATED.

11 MR. JUELGAARD: THAT'S FINE. IT'S  
12 INTRAYEAR, NOT INTERYEAR.

13 CHAIRMAN THOMAS: OKAY. DR. HELMS, I  
14 BELIEVE, STILL HAS A BIT OF TIME LEFT. SHE LOOKS  
15 LIKE SHE WOULD LIKE TO MAKE ONE ADDITIONAL COMMENT.  
16 ANYBODY ELSE WHO WOULD LIKE TO MAKE PUBLIC COMMENT  
17 IN LIGHT OF THIS DISCUSSION BEFORE WE PROCEED TO THE  
18 MOTIONS IS WELCOME TO FOLLOWING DR. HELMS.

19 DR. HELMS: AGAIN, I'M THE PI OF TRAN  
20 09270. SO I LISTENED, OF COURSE, WITH BAITED BREATH  
21 TO THIS CONVERSATION, AND I DON'T KNOW THAT OUR  
22 GRANT IS ON THE BUBBLE. BUT I'M JUST GOING TO SPEAK  
23 GENERALLY, THAT EACH GRANT APPLICATION BRINGS A NEW  
24 SET OF REVIEWERS WITH NEW QUESTIONS. AND AS A  
25 SCIENTIST, I HOLD PEER REVIEW IN THE HIGHEST REGARD,

BARRISTERS' REPORTING SERVICE

1 BUT I, LIKE EVERY OTHER MEMBER OF THE ICOC,  
2 RECOGNIZES THE PROCESS ISN'T PERFECT. JUST WANT TO  
3 SAY THAT SUGGESTING THAT YOU CAN GO BACK IN IN A  
4 MONTH AND A HALF CARRIES WITH IT RISK.

5 I'M THE PI OF THE GRANT THAT HAS  
6 CO-FUNDING, AND I HAVE RECEIVED CONFIRMATION FROM MY  
7 CEO THAT, IN TERMS OF OUR CO-FUNDING, OUR ACTIVITIES  
8 ADD UP TO 5.5 MILLION. WE ASKED FOR 3.6 MILLION  
9 FROM CIRM AND ARE ASKING AND WILL FUND THE OTHER TWO  
10 MILLION OR 36 PERCENT, NOT 20 PERCENT, FROM CIRM.

11 IN ADDITION, OUR COMPANY HAS \$12 MILLION  
12 IN RESERVES TO PUSH US TOWARDS CLINICAL ACTIVITIES.  
13 SO JUST WANT TO EMPHASIZE THE CO-FUNDING IS NOT AT  
14 THE MINIMUM. AND I REALIZE THAT MIGHT MAKE IT SEEM  
15 LIKE WE CAN BEST HANDLE A SHORTFALL; BUT, AGAIN, I  
16 STILL BELIEVE THAT CUTTING ALL GRANTS TO MAKE THE  
17 BUDGET IS PERHAPS THE MOST EXPEDIENT. THANK YOU.

18 CHAIRMAN THOMAS: THANK YOU, DR. HELMS.

19 ANY OTHER PUBLIC COMMENT? OKAY. HEARING  
20 NONE, I NOW ASK DO WE HAVE A MOTION TO FUND ANY OF  
21 THE FOUR PROJECTS RECOMMENDED FOR FUNDING IN TIER I?

22 DR. JUELSGAARD: J.T.

23 CHAIRMAN THOMAS: YES, MR. JUELSGAARD.

24 DR. JUELSGAARD: I MOVE THAT WE FUND THE  
25 TRAN1-09270.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: OKAY. IT'S BEEN MOVED  
2 THAT WE FUND 09270. IS THERE A SECOND?

3 FOR THOSE WHO DON'T HAVE THE SPREADSHEET  
4 IN FRONT, MR. JUELSGAARD HAS MOVED DR. HELMS'  
5 PROJECT.

6 MR. PANETTA: I WOULD SECOND THAT.

7 MS. LAPORTE: I SECOND THAT AS WELL.

8 CHAIRMAN THOMAS: OKAY. IS THERE ANY  
9 DISCUSSION BY MEMBERS OF THE BOARD ON THIS MOTION?

10 MR. JUELSGAARD, JUST TO CLARIFY, ARE YOU  
11 RECOMMENDING FULL FUNDING OF THIS, IN LIGHT OF OUR  
12 DISCUSSION, FULL FUNDING OF THIS PROJECT?

13 DR. JUELSGAARD: J.T., IN THE ABSENCE OF  
14 JAMES HARRISON TELLING US DIFFERENTLY, MY  
15 UNDERSTANDING IS WE HAVE NO OTHER CHOICE. IT'S  
16 EITHER ZERO OR WHAT? IT'S EITHER ALL OR NOTHING. I  
17 DIDN'T HEAR ANYTHING THAT JAMES SAID THAT INDICATED  
18 WE HAD THE FLEXIBILITY TO DO SOMETHING IN BETWEEN.  
19 IF I'M WRONG ON THAT POINT, I'D LOVE TO BE WRONG.  
20 BELIEVE ME, I'D LOVE, LOVE, LOVE TO BE WRONG, THAT  
21 WE COULD DO SOMETHING IN BETWEEN.

22 CHAIRMAN THOMAS: MR. JUELSGAARD, IT IS,  
23 AS I UNDERSTAND IT, POSSIBLE WE COULD DECIDE TO FUND  
24 ANY OF THESE PROJECTS IN PART TO THE DESIRE OF THE  
25 BOARD INSOFAR AS THAT APPLICANT WOULD AGREE TO PUT

BARRISTERS' REPORTING SERVICE

1 UP THE ADDITIONAL FUNDING TO GET TO A TOTAL AMOUNT  
2 EQUAL TO THE AWARD SO THAT THE SCOPE OF THE PROJECT  
3 REMAINS THE SAME. SO THERE IS MIDDLE GROUND.

4 DR. JUELSGAARD: WE DON'T HAVE THE PEOPLE,  
5 WITH ONE EXCEPTION PERHAPS, ON THE LINE WHO COULD  
6 AGREE TO THAT HERE TODAY. AM I RIGHT ABOUT THAT?  
7 SO, FOR EXAMPLE, I MIGHT THEN PROPOSE THAT IN EACH  
8 CASE WE APPROVE EACH ONE OF THESE AS THEY COME UP  
9 ONE BY ONE, BUT WITH 10 PERCENT OR ROUGHLY  
10 10-PERCENT CO-FUNDING, AND JUST APPROVE EACH ONE  
11 WITH CO-FUNDING. AND NOW WE'VE GOT TO WAIT TO SEE  
12 WHO WILL BE WILLING TO STEP UP TO THE PLATE WITH  
13 THAT.

14 MR. HARRISON: IF THE BOARD WERE TO  
15 APPROVE A MOTION FUNDING AN AWARD CONTINGENT UPON  
16 THE APPLICANT MAKING UP THE REMAINDER, WE WOULD NOT  
17 EXPECT THE APPLICANT TO AGREE TO THAT TODAY. WE  
18 WOULD HANDLE THAT THROUGH OUR PREFUNDING  
19 ADMINISTRATIVE REVIEW AND REQUIRE EVIDENCE OF THE  
20 APPLICANT'S ABILITY TO FUND THE DIFFERENCE BEFORE WE  
21 ISSUED A NOTICE OF AWARD.

22 DR. JUELSGAARD: AND SO THEN IF THAT'S THE  
23 WAY WE DO IT THEN, JAMES, WHICH SEEMS REASONABLE,  
24 THEN WE WOULD HAVE TO MAKE A DECISION ABOUT THE  
25 AMOUNT OF CO-FUNDING THAT WE WERE GOING TO HAVE TO

BARRISTERS' REPORTING SERVICE

1 ASK FOR, RIGHT? AND EITHER IT'S GOING TO BE THE  
2 SAME FOR ALL THE APPLICANTS, WHICH IS WHERE I  
3 STARTED WITH WHAT I THOUGHT SEEMED TO BE A  
4 REASONABLE WAY TO DOING THIS, OR WE'RE GOING TO PICK  
5 AND CHOOSE ALONG THE WAY, IF WE EVEN DO THIS, TO  
6 SAY, WELL, FOR SOME OF YOU IT'S 5 PERCENT, FOR  
7 OTHERS OF YOU IT'S 20 PERCENT. HOW DO WE MAKE THOSE  
8 NUMBERS UP? I DON'T KNOW THAT WE'RE REALLY IN A  
9 GOOD POSITION TO MAKE NUMBERS UP.

10 SO IF WE'RE GOING TO GO THIS ROUTE  
11 POTENTIALLY, AND THIS IS SORT OF SPEAKING AT THE  
12 OUTSET, IT SEEMS TO ME WE NEED TO DO IT PRO RATA OUT  
13 OF FAIRNESS OR EQUITY. EITHER WE DO THAT OR WE JUST  
14 VOTE ON THEM ONE BY ONE UNTIL WE RUN OUT OF MONEY.

15 MR. HARRISON: YES. IT'S THE LATTER  
16 COURSE THAT WE HAD ASSUMED YOU WOULD FOLLOW, BUT AS  
17 J.T. SAID, AT THE BOARD'S DISCRETION.

18 CHAIRMAN THOMAS: I THINK, MR. JUELSGAARD,  
19 THE ORIGINAL SUGGESTION WAS TO JUST REDUCE THE  
20 AMOUNT OF THE AWARDS BY 10 PERCENT. ARE YOU  
21 AMENDING THAT SUGGESTION TO REDUCE THE AMOUNTS BY 10  
22 PERCENT PROVIDED THAT EACH APPLICANT CAN COME UP  
23 WITH THE 10-PERCENT MATCH?

24 DR. JUELSGAARD: YES. I'D BE MORE THAN  
25 WILLING TO MOVE THAT. AGAIN, WE HAVEN'T EVEN

BARRISTERS' REPORTING SERVICE

1 APPROVED ANY OF THESE, AND I DON'T KNOW IF ONE OF  
2 THESE WILL FALL BY THE WAYSIDE PURELY ON THE MERITS.  
3 I'M NOT ASSUMING IT WILL, BUT THEN I SHOULDN'T  
4 ASSUME THAT IT WON'T EITHER.

5 SO WHAT I'D LOVE TO BE ABLE TO DO, IN MY  
6 OWN MIND, THIS IS JUST ME PERSONALLY SPEAKING, IS  
7 FUND EACH AND EVERY ONE OF THESE BECAUSE I THINK  
8 THEY ALL HAVE MERIT. BUT IN ORDER TO MAKE IT FIT  
9 WITHIN THE DOLLAR AMOUNT, TO DO AN ACROSS-THE-BOARD  
10 PRO RATA 10-PERCENT CUTBACK, WHICH WOULD THEN LET US  
11 FALL WITHIN THE 15 MILLION. THAT'S MY STATED GOAL.  
12 I DON'T KNOW IF ANYBODY AGREES WITH ME. IF THEY  
13 DON'T, THAT'S FINE. IF THERE WERE A SENSE OF THE  
14 BOARD THAT THAT'S A GOOD THING TO DO, THEN HOW DO WE  
15 NEED TO FASHION IT? THAT'S WHAT I'D BE WILLING TO  
16 SUPPORT.

17 MR. ROWLETT: I WOULD BE WILLING TO SECOND  
18 IF YOU ARE GOING TO MAKE THAT OFFICIAL MOTION,  
19 STEVE. THEN GIVEN I DID SOME PRELIMINARY MATH, AND  
20 YOU'RE RIGHT, THE 10 PERCENT DOES ALLOW US TO,  
21 PROVIDED THE APPLICANTS ARE WILLING TO COME UP WITH  
22 THE 10 PERCENT, GO AHEAD AT THE 90-PERCENT LEVEL  
23 FUND ALL OF THESE.

24 CHAIRMAN THOMAS: DOES EVERYBODY HAVE IN  
25 FRONT OF THEM THE -- ANYBODY WHO NEEDS TO BE TOLD

BARRISTERS' REPORTING SERVICE

1 THE SCORES OF ALL THE VARIOUS PROJECTS?

2 MS. WINOKUR: YES. I'D LIKE TO.

3 CHAIRMAN THOMAS: OKAY. THANK YOU, DIANE.

4 GIL, CAN YOU JUST GIVE FOR THOSE MEMBERS

5 ON THE PHONE A RUNDOWN ON EVERYBODY'S SCORES?

6 DR. SAMBRANO: SO THE FOUR APPLICATIONS

7 THAT ARE IN THE TOP TIER ARE, THEY START WITH 9394,

8 WHICH IS HUMAN IPSC-DERIVED GABAERGIC PROGENITORS

9 FOR ALZHEIMER'S DISEASE TREATMENT. THAT RECEIVED A

10 MEDIAN SCORE OF 90, AVERAGE OF 89, AND THE BUDGET

11 REQUESTED IS 5.9 MILLION.

12 THE SECOND APPLICATION, 9292, IS CURING

13 SICKLE CELL DISEASE WITH CRISPR-CAS9 GENOME EDITING.

14 THE MEDIAN SCORE WAS 85, THE MEAN 87, AND THE AMOUNT

15 REQUESTED IS 4.5 MILLION.

16 THE THIRD IS 9288, PLURIPOTENT STEM

17 CELL-DERIVED CHONDROCYTES FOR ARTICULAR CARTILAGE

18 REPAIR, RECEIVED A MEDIAN SCORE OF 85 AND A MEAN OF

19 86. THE REQUEST HERE IS \$2.5 MILLION.

20 THE FOURTH IS 9270, AN AUTOLOGOUS SOMATIC

21 STEM CELL THERAPY FOR THE TREATMENT OF

22 OSTEONECROSIS. IT RECEIVED A MEDIAN SCORE OF 86,

23 THE MEAN WAS 84, AND THE BUDGET REQUESTED IS ABOUT

24 3.7 MILLION.

25 DR. PRIETO: SO I APPRECIATE WHAT DR.



BARRISTERS' REPORTING SERVICE

1 JUELSGAARD IS TRYING TO DO HERE, AND I THINK I'M IN  
2 FAVOR, ALTHOUGH I SUSPECT THAT THERE MAY BE A LITTLE  
3 MORE LEEWAY IN SOME OF THESE BUDGETS THAN OTHERS.

4 I WOULD SAY THAT THE SCORING OF THESE FOUR  
5 APPLICATIONS IS SO CLOSE, THAT THEY'RE REALLY  
6 INDISTINGUISHABLE ON THOSE GROUNDS. AND THERE MAY  
7 BE SOME PROGRAMMATIC ISSUES, I KNOW STEVE BROUGHT  
8 THAT UP EARLIER AS WELL, THAT MAY MAKE US FAVOR SOME  
9 OF THESE MORE THAN OTHERS. I THINK WE HAVE FOUR  
10 VERY MERITORIOUS APPLICATIONS. A WAY TO REDUCE EACH  
11 OF THEM BY A SIGNIFICANT, BUT NOT, I THINK, NOT A  
12 DEAL BREAKER AMOUNT FOR MOST OF THEM, AND I THINK  
13 THAT'S A REASONABLE WAY TO GO FORWARD.

14 MR. HARRISON: JUST TO BE CLEAR, YOU'RE  
15 NOT, AS I UNDERSTAND IT, PROPOSING REDUCING THE  
16 OVERALL BUDGET OF THE PROGRAM, BUT INSTEAD REDUCING  
17 THE AMOUNT OF THE CIRM CONTRIBUTION BY 10 PERCENT,  
18 AND THEN REQUIRING THE APPLICANT TO MAKE UP THE  
19 REMAINDER. IS THAT THE CONCEPT ON THE TABLE?

20 DR. PRIETO: YES. THAT'S WHAT I  
21 UNDERSTAND.

22 MR. HARRISON: THANK YOU.

23 DR. JUELSGAARD: AND I JUST WANT TO MAKE  
24 SURE WE MAKE MOTIONS AT THE APPROPRIATE TIME. SO  
25 I'M GOING BACK TO WHAT AL AND FRANCISCO JUST SAID.

BARRISTERS' REPORTING SERVICE

1 I'M GOING TO ACTUALLY MAKE THIS MOTION, AND IT'S A  
2 LITTLE GETTING THE CART AHEAD OF THE HORSE BECAUSE  
3 WE HAVEN'T CONSIDERED ANY PARTICULAR PROGRAM. BUT  
4 FOR THE SAKE OF TRYING TO GET THIS MOVING FORWARD, I  
5 MOVE THAT WE AGREE TO FUND PROGRAMS THAT WE APPROVE  
6 TO THE EXTENT OF 90 PERCENT OF THE AMOUNT ASKED FOR  
7 PROVIDED THAT THEY CAN FIND CO-FUNDING FOR THE  
8 ADDITIONAL 10 PERCENT OF THE AMOUNT THEY ASKED FOR.

9 CHAIRMAN THOMAS: MR. JUELSGAARD, A  
10 QUESTION. WHAT IF WE RUN INTO A SET OF FACTS HERE  
11 WHERE AN APPLICANT WOULD NOT BE ABLE TO COME UP WITH  
12 THE 10-PERCENT MATCH?

13 DR. JUELSGAARD: WELL, THEN IN MY MIND  
14 THAT'S WHAT DECEMBER IS ABOUT. SO WE'LL HAVE A NEW  
15 BUDGET. WE'LL HAVE A NEW ROUND. I THINK THE  
16 COMMENTS THAT WERE MADE THAT WE HAVE ONE GWG  
17 SETTING, AND THIS GOES A LITTLE BIT TO WHAT  
18 FRANCISCO SAID ABOUT THE PARITY OF THESE FOUR, YOU  
19 HAVE TO BE CAREFUL WHEN NUMBERS ARE VERY, VERY CLOSE  
20 TO EACH OTHER THAT YOU SEE THAT THERE'S A BROAD  
21 DISTINCTION BETWEEN THEM BECAUSE IN MY MIND THERE  
22 REALLY ISN'T.

23 SO IF YOU TAKE ONE OF THESE APPLICATIONS  
24 WHICH WAS RANKED VERY HIGHLY AND NOW THROW THEM INTO  
25 A NEW MIX, I WONDER ABOUT THE FAIRNESS OF ALL OF

BARRISTERS' REPORTING SERVICE

1 THAT. WE HAD A VERY FAIR PRESENTATION, ALL COMERS.  
2 THESE DECISIONS, RECOMMENDATIONS WERE MADE. AND I'D  
3 RATHER TRY AND PROCEED ON THIS PARTICULAR SET OF  
4 PROPOSALS RATHER THAN HAVING SOMEBODY FROM THIS  
5 GROUP COME BACK AT THE NEXT ONE. BUT IF THEY'RE  
6 NOT -- IF UNDER MY PROPOSAL THEY JUST CAN'T FIND  
7 THAT ADDITIONAL MONEY OR NOT WILLING TO FIND IT,  
8 THEN THEY BECOME SUBJECT TO WHAT HAPPENS THE NEXT  
9 TIME AROUND.

10 MS. WINOKUR: ALSO, I WOULD LIKE TO THINK  
11 ABOUT THE DISCUSSION DURING THE GWG MEETING AND  
12 WHETHER THE RESULT OF A SCORE BEING WHAT IT IS THE  
13 RESULT OF THE EVALUATION OF THE PROJECT ITSELF  
14 UNRELATED TO THE BUDGET.

15 DR. JUELSGAARD: THOSE ARE ALL REFLECTED  
16 IN THE SCORES, RIGHT? DEPENDS ON WHETHER YOU  
17 FOLLOW -- WHAT POWER OR DIFFERENCE YOU ATTRIBUTE TO  
18 ONE SCORE TO MEAN. THE SCORES AND THE MEANS ARE  
19 DIFFERENT IN THOSE TWO COLUMNS. SO, ANYWAY, BUT THE  
20 POINT OF IT IS, FOR ME, EXCEPT FOR THE FIRST ONE,  
21 WHICH IS ALZHEIMER'S, WHICH SEEMS TO STAND OUT ABOVE  
22 EVERYBODY ELSE, THE OTHER THREE ARE PRETTY DARN  
23 CLOSE TOGETHER FROM A SCORING POINT OF VIEW. I  
24 THINK IT'S JUST HARD -- AWFUL HARD TO DISTINGUISH  
25 THEM NECESSARILY WHEN YOU LOOK AT BOTH SCORE AND

BARRISTERS' REPORTING SERVICE

1 MEAN AS A WAY OF THINKING ABOUT THEM.

2 MS. LAPORTE: I JUST WANT TO ECHO WHAT'S  
3 BEEN SAID. THESE ARE SO CLOSE, THAT THE NO. 2, 3,  
4 AND 4 ONES IN PARTICULAR THAT THROW -- THEY'RE  
5 INDISTINGUISHABLE.

6 CHAIRMAN THOMAS: DR. SAMBRANO HAS A  
7 COMMENT.

8 DR. SAMBRANO: SO I JUST WANT TO OFFER  
9 ANOTHER PARAMETER THAT IS ON THE SPREADSHEET. IF  
10 YOU LOOK AT THE LAST TWO COLUMNS, IT'S AN INDICATOR  
11 OF HOW MANY MEMBERS OF THE GWG SCORED WITHIN THE  
12 UPPER OR LOWER TIER. SO WHEN WE INSTRUCT REVIEWERS  
13 ABOUT THE SCORING SYSTEM, THEY UNDERSTAND THAT A  
14 SCORE OF 85 IS THE CUTOFF. EIGHTY-FIVE OR ABOVE  
15 MEANS THEY'RE SCORING TO RECOMMEND IT. IF THEY'RE  
16 SCORING BELOW THAT, IT'S THAT THEY'RE SCORING  
17 AGAINST FUNDING IT. AND THE EXTENT TO WHICH THEY  
18 FEEL IT LACKS MERIT, THEY USE THE FULL SCALE.

19 BUT BY LOOKING AT T-1 AND T-2 COLUMNS FOR  
20 TIER I AND TIER II, YOU CAN SEE THAT 9394, FOR  
21 EXAMPLE, HAD 14 OF THE MEMBERS SCORE IN THE TOP TIER  
22 AND NONE FOR A SCORE BELOW 85. SO THAT'S ADDITIONAL  
23 DATA THAT GIVES YOU A LITTLE MORE FLAVOR ON  
24 DISTINGUISHING THE SCORES.

25 DR. JUELSGAARD: LET ME JUST REACT TO

BARRISTERS' REPORTING SERVICE

1 THAT, DR. SAMBRANO. SO WHEN YOU LOOK AT, LET'S TAKE  
2 THE LAST ONE, WHICH HAS THE GREATEST T-1, T-2  
3 DEVIATION. WHAT THAT DOESN'T TELL YOU, WE KNOW THAT  
4 THE LOWEST SCORE IS 70. I SEE THAT IN THE COLUMN.  
5 SO WE KNOW ONE OF THE FIVE IS A 70. WE DON'T KNOW  
6 IF THE OTHER FOUR WERE 84S OR WHAT THEY WERE,  
7 WHETHER THEY WERE JUST BELOW THE CUTOFF BETWEEN T-1  
8 AND T-2. THAT'S WHY WE JUST NEED TO BE CAREFUL WITH  
9 ALL OF THESE NUMBERS AT THIS LEVEL.

10 THE SUGGESTION THAT THERE'S A HUGE  
11 DIFFERENCE IN THESE DOESN'T RING TRUE TO ME.  
12 THERE'S A LITTLE BIT OF DIFFERENCE IN MY MIND, AND I  
13 THINK THE FOURTH WAS REALLY SKEWED BY THIS ONE LOW  
14 GRADE OF 70. SO EVEN THOUGH THERE ARE FIVE THAT ARE  
15 T-2, IT DOESN'T TELL ME WHERE THOSE FIVES ARE  
16 LOCATED. AND IF THEY'RE JUST ONE POINT BELOW THE  
17 CUTOFF, THEN THEY'RE PRETTY DARN NEAR THE CUTOFF.  
18 SO ANYWAY.

19 CHAIRMAN THOMAS: OKAY. THERE ANY OTHER  
20 COMMENTS ON PRELIMINARY COMMENTS HERE?

21 DR. HIGGINS: CAN I MAKE A COMMENT?

22 CHAIRMAN THOMAS: YES. AND THEN WE HAVE  
23 ANOTHER GENTLEMAN HERE WHO WOULD LIKE TO MAKE PUBLIC  
24 COMMENT. YES. GO AHEAD.

25 DR. HIGGINS: JUST THE CONVERSATION WE'RE

BARRISTERS' REPORTING SERVICE

1 HAVING ABOUT WHAT WE CAN AND CAN'T DO BECAUSE OF THE  
2 STRUCTURE WE'VE SET UP FOR THE FUNDING VERSUS WHAT  
3 DO WE WANT TO DO. DO WE WANT TO FUND ALL FOUR OF  
4 THESE GRANTS? DO WE WANT TO FUND THREE OF THEM?  
5 AND BASED ON THAT, WHAT WE THINK IS THE RIGHT THING  
6 TO DO, AND LET'S FIGURE OUT HOW TO DO IT INSTEAD OF  
7 STARTING A MOVE AND WALKING BACKWARDS. THAT WOULD  
8 BE MY SUGGESTION.

9 CHAIRMAN THOMAS: THANK YOU. WE HAVE  
10 ANOTHER MEMBER OF THE PUBLIC WHO WOULD LIKE -- TWO  
11 OTHER MEMBERS OF THE PUBLIC.

12 DR. HUANG: GOOD MORNING. I'M ONE OF THE  
13 PI'S AMONG THOSE FOUR.

14 CHAIRMAN THOMAS: COULD YOU GIVE YOUR  
15 NAME.

16 DR. HUANG: MY NAME IS YADONG HUANG. I  
17 COME FROM GLADSTONE INSTITUTE AND ALSO UCSF.

18 SO MY POINT, COMMENT I TRY TO MAKE HERE IS  
19 IF THERE IS A 10-PERCENT CUT ACROSS THE BOARD, FOR  
20 MANY OF THOSE ARE NONPROFIT INSTITUTION, IT COULD BE  
21 HARD, ESPECIALLY CONSIDERING CURRENT NIH FUNDING  
22 LEVEL. BUT THAT'S NOT THE MAJOR THING. THE MAJOR  
23 THING IS MY UNDERSTANDING WHEN THESE RFA PUT THERE,  
24 THEY MADE IT VERY CLEAR. SO THERE IS SOME  
25 REQUIREMENT, THERE'S SOME NOT REQUIRED. SO IF THE

BARRISTERS' REPORTING SERVICE

1 ORIGINAL RFA PUT, SAY, THOSE THERE'S NO REQUIREMENT  
2 FOR MATCHED FUND. NOW SO THE BOARD ADD THOSE ONE.  
3 THE QUESTION IS IS THAT FAIR? IS THAT THE WAY  
4 FOLLOWED THE ORIGINAL POLICY HERE? THAT MAY MAKE  
5 THE DIFFERENCE DIFFICULT FOR THOSE NONPROFIT  
6 INSTITUTION AND NO WAY TO FINISH THIS VERY PROMISING  
7 PROJECT. THAT'S WHAT I WANT TO MAKE.

8 ANOTHER COMMENT I TRY TO MAKE IS, YES, IF  
9 YOU LOOK AT THOSE SCORES, I THINK HOW MANY NUMBERS  
10 WE SEE IN THE FIRST TIER, HOW MANY NUMBER WE SEE IN  
11 THE SECOND TIER PROBABLY DOES TELL -- OVERRULE  
12 REFLECTION OF THOSE GWG REVIEW GROUP. BUT MY MAJOR  
13 POINT TRY TO MAKE IS I WOULD SAY PROBABLY 10 PERCENT  
14 DECREASE THE FUNDING FOR THE NONPROFIT INSTITUTION,  
15 THEY MIGHT BE OKAY, BUT ASK THEM TO MATCH THOSE LAST  
16 10 PERCENT, IT COULD CAUSE MAJOR HURDLE ON THEM, AT  
17 THE SAME TIME MAY NOT APPLY TO THE ORIGINAL POLICY,  
18 WHICH WHEN THOSE APPLICANT WROTE THESE APPLICATION,  
19 IT'S CLEAR IN THEIR MIND THERE'S NO REQUIRE FOR  
20 THAT. THANK YOU VERY MUCH.

21 DR. JUELSGAARD: J.T., CAN I JUST RESPOND  
22 TO THAT FOR A MOMENT?

23 CHAIRMAN THOMAS: CERTAINLY.

24 MR. JUELSGAARD: I WOULD ASK THE  
25 COMMENTATOR, IF HE HAD TWO CHOICES, WHICH IS EITHER

BARRISTERS' REPORTING SERVICE

1 TO ACCEPT A REDUCTION AND MATCH, OR THE POSSIBILITY  
2 THAT HIS GRANT MIGHT NOT BE APPROVED AT ALL, THAT HE  
3 MIGHT RECEIVE NO DOLLARS AT ALL, WHICH OF THOSE TWO  
4 OUTCOMES WOULD YOU PREFER?

5 DR. HUANG: I'M NOT SAYING WHETHER I  
6 ACCEPT OR ANOTHER, BUT THE EXAMPLE TO MATCH IS NOT  
7 WHAT I CAN SAY HERE TODAY. AND I'M GOING TO GO  
8 BACK, TALK WITH THE INSTITUTE ABOUT THAT.

9 SO MY COMMENT IS ABOUT WHETHER THAT MAY  
10 ACTUALLY PUT A DIFFICULTY ON THE APPLICANTS. I'M  
11 NOT SAYING WHETHER ACCEPT ONE VERSUS ANOTHER BECAUSE  
12 THAT'S A LITTLE BIT BEYOND WHAT I CAME HERE TO SAY  
13 ABOUT THAT BECAUSE IT DIFFERENT FROM FOR-PROFIT  
14 COMPANY. THEY WILL KNOW WHETHER MONEY IS THERE.

15 CHAIRMAN THOMAS: THANK YOU. MR. REED.

16 MR. REED: THE CALIFORNIA STEM CELL  
17 PROGRAM IS A TREMENDOUS GIFT TO RESEARCHERS  
18 EVERYWHERE. THE TOP FOUR PEOPLE ARE OUTSTANDING. I  
19 DON'T FEEL IT WOULD BE RIGHT TO TAKE AWAY FROM ONE  
20 OF THEM COMPLETELY. I WONDER -- IT SEEMS LIKE WE'RE  
21 ABOUT A MILLION DOLLARS SHORT. I WONDER IF THAT  
22 COULD BE DIVIDED UP PROPORTIONATELY, AND THE ICOC  
23 SAYS, OKAY, WE WILL TRY TO SEE IF WE CAN GET THAT  
24 MADE YOU UP FOR YOU; BUT IF NOT, YOU'RE STILL  
25 GETTING A BIG CHUNK OF MONEY.



BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: COULD YOU ELABORATE, MR.  
2 REED? I'M NOT SURE WHAT YOU MEANT BY THAT LAST  
3 STATEMENT.

4 MR. REED: THERE'S FOUR WINNERS HERE, AND  
5 WE'RE SHORT ABOUT A MILLION DOLLARS AS I SEE IT.  
6 OKAY. SO WHY NOT PROPORTIONATELY DIVIDE UP THAT  
7 LOSS AMONG THE FOUR WINNERS AND SAY TO THEM, WE WILL  
8 TRY, WE CAN'T PROMISE, BUT WE WILL TRY TO SEE IF WE  
9 CAN GET THAT LITTLE BIT OF MONEY BACK TO YOU AT A  
10 LATER DATE.

11 CHAIRMAN THOMAS: THANK YOU FOR THAT  
12 SUGGESTION. THAT IS BEYOND WHAT WE CAN COMMIT TO AT  
13 THIS POINT. SO I WOULD NOT WANT TO MAKE A STATEMENT  
14 TO THAT EFFECT. BUT THANK YOU FOR CREATIVITY.

15 OTHER COMMENTS?

16 DR. JUELSGAARD: JUST IN THE INTEREST OF  
17 MOVING THIS FORWARD, JUST REMEMBER I HAVE A MOTION  
18 ON THE TABLE WHICH HAS NOT BEEN SECONDED. SO EITHER  
19 WE CAN JUST FALL FOR LACK OF A SECOND OR IT CAN GET  
20 SECONDED AND WE CAN VOTE ON IT, BUT I WOULD REMIND  
21 YOU OF THE FACT THAT THERE IS A MOTION ON THE TABLE.

22 CHAIRMAN THOMAS: RIGHT. OKAY. MR.  
23 JUELSGAARD'S MOTION WAS FULL FUNDING OF APPLICATION  
24 09270.

25 DR. JUELSGAARD: I'M SORRY. I WITHDRAW

BARRISTERS' REPORTING SERVICE

1 THAT MOTION. I HAVE A SUPERSEDING MOTION WHICH IS  
2 BASICALLY TO PROVIDE, IN EACH CASE WHERE WE HAVE AN  
3 APPROVAL, FOR 90-PERCENT FUNDING PROVIDED THAT THE  
4 APPLICANT CAN FIND THE ADDITIONAL 10-PERCENT  
5 FUNDING. I WITHDRAW THE ORIGINAL MOTION AND MAKE  
6 THIS A SUPERSEDING ONE.

7 MR. HARRISON: ONE CLARIFICATION. OUR  
8 GRANTS MANAGEMENT TEAM ADVISES US THAT IN ORDER TO  
9 REDUCE THE TOTAL BUDGET DOWN TO \$15 MILLION, IT  
10 WOULD HAVE TO BE 10.4 PERCENT.

11 DR. JUELSGAARD: I THOUGHT IT WAS 9.4.  
12 SHOULD GET MY MATH BACK OUT HERE. OKAY. WHATEVER  
13 THE NUMBER IS THAT WORKS.

14 MR. HARRISON: UNDERSTOOD.

15 CHAIRMAN THOMAS: SO YOU HAVE A MOTION ON  
16 THE TABLE THAT WOULD, WITH RESPECT TO EACH OF THE  
17 FOUR PROJECTS, REDUCE THE AWARD IN WHATEVER  
18 PERCENTAGE IS NECESSARY TO RESULT IN A \$15 MILLION  
19 TOTAL AWARD FOR THE FOUR?

20 DR. JUELSGAARD: NO.

21 CHAIRMAN THOMAS: WHICH REQUIRES A MATCH  
22 TO GET IN EACH CASE TO THE ORIGINAL TOTAL DOLLAR  
23 PRICE AND SCOPE.

24 DR. JUELSGAARD: NO. MY MOTION IS  
25 ACTUALLY A SLIGHTLY BIT DIFFERENT. IT'S A

BARRISTERS' REPORTING SERVICE

1 COLLECTIVE MOTION, AND THE MOTION IS THAT FOR ANY  
2 AND ALL AWARDS THAT WE MAKE, BECAUSE WE'RE GOING TO  
3 LOOK AT THESE ONE BY ONE, IS THAT WE PROVIDE 90  
4 PERCENT -- IF WE APPROVE IT, WE PROVIDE 90 PERCENT  
5 OF THE MONEY OR 89.5 PERCENT OF THE MONEY, IT MAY BE  
6 9.4, WHATEVER IT IS, PERCENT OF THE MONEY PROVIDED  
7 THAT THEY CAN MATCH WITH THE ADDITIONAL 10.5, 10.6,  
8 WHATEVER THAT NUMBER AMOUNTS TO. SO IT'S JUST AN  
9 OMNIBUS MOTION TO BEGIN WITH, AND THEN WE LOOK AT  
10 EACH AND EVERY ONE OF THESE PROGRAMS AND DECIDE  
11 WHICH OF THEM WE ARE WILLING TO APPROVE OR NOT  
12 APPROVE.

13 IT'S THE ONLY WAY I SEEM TO BE ABLE TO  
14 ACHIEVE WHAT I'M TRYING TO ACHIEVE, WHICH IS  
15 HOPEFULLY APPROVAL OF ALL OF THEM BUT AT A REDUCED  
16 AMOUNT THAT KEEPS US WITHIN THE 15 MILLION.

17 DR. PRIETO: I'M WILLING TO SECOND THAT  
18 MOTION, BUT I WONDER IF STEVE WOULD CONSIDER A  
19 FRIENDLY AMENDMENT, TO RATHER THAN REQUIRE THAT THEY  
20 COME UP WITH THE 10 PERCENT OR 10.1, WHATEVER, THAT  
21 WE CUT, TO MAKE THAT A RECOMMENDATION BECAUSE IT IS  
22 POSSIBLE THAT SOME OF THESE GRANTEES OR POTENTIAL  
23 GRANTEES MAY FEEL THAT THEY CAN GET BY WITH 90  
24 PERCENT. AND IF THEY'RE NONPROFIT AND DO NOT HAVE  
25 READY ACCESS TO THE CAPITAL MARKETS AND SO ON, THAT

BARRISTERS' REPORTING SERVICE

1 THAT'S A PREFERABLE WAY TO GO. OBVIOUSLY ANY ONE OF  
2 THEM HAS THE OPTION TO DECLINE THE AWARD AND COME  
3 BACK FOR ANOTHER ROUND.

4 CHAIRMAN THOMAS: THE ISSUE, THERE AGAIN,  
5 AS RANDY ARTICULATED A FEW MINUTES AGO, IS THAT IF  
6 THEY DECIDE THEY CAN TAKE THE REDUCED AMOUNT, THAT  
7 IS LIKELY TO CHANGE THE SCOPE OF THE PROJECT IN SOME  
8 RESPECT AND, THEREFORE, YOU WILL NOT HAVE APPROVED  
9 AN AWARD THAT WAS WHAT WAS CONSIDERED BY THE GWG.

10 DR. JUELSGAARD: JUST ON THAT POINT, LET  
11 ME ASK A PROCESS QUESTION. SO IMAGINE A GRANT OF  
12 SOME AMOUNT OF MONEY, \$5 MILLION, IS MADE TO FUND  
13 SOMETHING. AND BY THE TIME ALL IS SAID AND DONE,  
14 THE INSTITUTION THAT WAS FUNDED DECIDED ONLY TO  
15 SPEND \$4 MILLION AND TO ELIMINATE OR REDUCE SOME OF  
16 THE THINGS THEY WERE OTHERWISE ATTEMPTING TO DO FOR  
17 OTHER REASONS. THEY JUST DOWNSIZED THE PROJECT ON  
18 THEIR OWN. THERE'S NO WAY, I TAKE IT, WE HOLD THEIR  
19 FEET TO THE FIRE AND, NO, YOU'VE GOT TO SPEND THE  
20 FULL 5 MILLION AND DO EVERYTHING YOU SAID YOU WOULD  
21 DO. IS THAT A FAIR ASSESSMENT OR NOT?

22 MR. HARRISON: IT'S NOT, STEVE. WE HAVE  
23 CONTRACTS THAT THE APPLICANTS OR AWARDEES AGREE TO  
24 COMPLETE THE WORK AS PROPOSED. AND SHORT OF A  
25 REQUEST FOR A CHANGE IN SCOPE, IT GOES THROUGH AN

BARRISTERS' REPORTING SERVICE

1 INTERNAL APPROVAL PROCESS IF IT'S DEEMED TO BE A  
2 CHANGE THAT WOULD NOT ALTER FUNDAMENTALLY THE SCOPE  
3 OF THE PROJECT; OR IF IT'S SOMETHING THAT WOULD  
4 ALTER THE SCOPE MATERIALLY, THAT'S SOMETHING WE'D  
5 BRING TO THE BOARD. OTHERWISE, WE WOULD EXPECT THE  
6 AWARDEES TO HOLD UP THEIR END OF THE BARGAIN AND  
7 CARRY OUT THE ACTIVITIES THAT THEY PROPOSED.

8 DR. JUELGAARD: I ACTUALLY LIKE THE  
9 CONCEPT WHERE THEY SPEND LESS MONEY BECAUSE IT MAKES  
10 SENSE.

11 DR. MILLS: STEVE, THEY CAN SPEND LESS  
12 MONEY. WHAT THEY CAN'T DO IS REDUCE THE AMOUNT OF  
13 WORK. SO THEY CAN BE EFFICIENT, ABSOLUTELY, BUT --

14 DR. JUELGAARD: RANDY --

15 DR. MILLS: WHEN THE GWG REVIEWS AN  
16 APPLICATION, THEY REVIEW IT IN ITS ENTIRETY. LIKE  
17 IF YOU GO TO A RESTAURANT AND YOU ORDER A PIZZA,  
18 YOU'RE ORDERING AN ENTIRE PIZZA. AND YOU EXPECT, WE  
19 AT CIRM EXPECT AN ENTIRE PIZZA TO BE DELIVERED.

20 DR. JUELGAARD: THIS IS A LITTLE BIT  
21 DIFFERENT.

22 CHAIRMAN THOMAS: STEVE, YOU'RE A LITTLE  
23 MUFFLED FOR SOME REASON.

24 DR. JUELGAARD: OKAY. I'M JUST SAYING  
25 THAT I'M NOT SURE ABOUT THAT ANALOGY, BUT THE POINT

BARRISTERS' REPORTING SERVICE

1 OF IT IS SOMETIMES WHEN WE DO THINGS, YOU FIND OUT  
2 THAT DOING THE NEXT THING DOESN'T MAKE ANY SENSE,  
3 ISN'T WORTHWHILE, ETC., AND YOU SCRAP IT. AND IT'S  
4 NOT WISE TO SAY, OKAY, NO, WE REQUIRE YOU TO DO THAT  
5 EVEN THOUGH IT'S NOT A GOOD THING TO DO. AND IF  
6 THAT REQUIRES THE STAFF TO APPROVE IT, THEN I GUESS  
7 SO BE IT, BUT THERE ARE PLENTY CASES WHERE YOU  
8 ORIGINALLY ALLOCATE A CERTAIN AMOUNT OF MONEY AND  
9 FIND OUT THAT SPENDING THAT WHOLE AMOUNT OF MONEY  
10 DOESN'T MAKE A LOT OF SENSE.

11 DR. MILLS: OF COURSE, THAT'S OUR  
12 MILESTONE STRUCTURE. BUT THAT'S BUILT IN ON THE  
13 MILESTONE SIDE OF THE EQUATION. WE DON'T START OUT  
14 WITH THE EXPECTATION THAT YOU'RE NOT GOING TO  
15 DELIVER THE WHOLE PIZZA WHEN WHAT WAS REVIEWED AND  
16 WHAT WAS ORDERED WAS A WHOLE PIZZA.

17 DR. JUELSGAARD: I DON'T PARTICULARLY CARE  
18 FOR THE PIZZA. I DON'T KNOW WHAT IT MEANS. ANYWAY.

19 CHAIRMAN THOMAS: ANY OTHER COMMENTS? WE  
20 DID HAVE A SECOND OR DIDN'T WE HAVE A SECOND?

21 MR. HARRISON: DR. PRIETO, I BELIEVE YOU  
22 TOOK --

23 DR. PRIETO: YES. I DID SECOND.

24 MR. HARRISON: -- US TOOK DOWN A DIFFERENT  
25 PATH.

BARRISTERS' REPORTING SERVICE

1 DR. PRIETO: I'M SORRY.

2 MR. HARRISON: I BELIEVE YOU OFFERED A  
3 FRIENDLY AMENDMENT THAT TOOK US DOWN A DIFFERENT  
4 PATH, SO I'M NOT SURE WHERE WE ENDED UP THERE.

5 DR. PRIETO: IF THE MAKER DOES NOT WANT TO  
6 ACCEPT THAT AMENDMENT AND/OR IF RANDY FEELS THAT  
7 THAT'S NOT WORKABLE GIVEN OUR PROCESSES, THEN I  
8 WOULD JUST OFFER MY SECOND FOR THE MOTION AS IT WAS  
9 ORIGINALLY STATED.

10 DR. JUELSGAARD: I'M HAPPY WITH THE  
11 FRIENDLY AMENDMENT PROVIDED THAT IT'S ALLOWABLE  
12 UNDER OUR RULES.

13 DR. MILLS: I WOULD STRONGLY DISCOURAGE  
14 THAT. YOU MIGHT AS WELL JUST ADD 10 PERCENT TO  
15 EVERY BUDGET WE GET THEN.

16 DR. JUELSGAARD: THIS IS KIND OF A  
17 ONE-TIME SITUATION AS FAR AS I'M CONCERNED.

18 CHAIRMAN THOMAS: IT MAY NOT BE. WE COULD  
19 END UP AT WHATEVER THE LAST ROUND IS NEXT YEAR IN  
20 PRECISELY THE SAME SITUATION.

21 DR. JUELSGAARD: THAT'S FAIR. ANYWAY.

22 CHAIRMAN THOMAS: WE WANT TO BE CAREFUL  
23 ABOUT SETTING PRECEDENT HERE.

24 DR. JUELSGAARD: SO WHERE ARE WE? DO WE  
25 HAVE A MOTION AND A SECOND? IS THAT WHERE WE'RE AT?

BARRISTERS' REPORTING SERVICE

1 MR. HARRISON: THAT'S CORRECT, STEPHEN.

2 ANOTHER CORRECTION ON THE NUMBERS, TO GET  
3 TO 15 MILLION, CIRM WOULD FUND APPROVED PROGRAMS AT  
4 A RATE 90.6 PERCENT PROVIDING THE APPLICANT AGREES  
5 TO FUND THE REMAINING 9.4 PERCENT.

6 DR. JUELSGAARD: THAT'S WHAT I THOUGHT THE  
7 NUMBERS WERE. PERFECT. THANK YOU.

8 CHAIRMAN THOMAS: DR. PRIETO, YOU'VE HEARD  
9 DR. MILLS' RESPONSE. IS YOUR SECOND WITH OR WITHOUT  
10 THE FRIENDLY AMENDMENT?

11 DR. PRIETO: MY SECOND -- YOU KNOW, EITHER  
12 IS ACCEPTABLE TO ME. SO MY SECOND IS AS THE MAKER  
13 WANTS THE MOTION TO READ.

14 DR. JUELSGAARD: SO JUST TO MAKE THIS AS  
15 FOCUSED AS POSSIBLE, I WOULD PREFER THAT WE GO WITH  
16 JUST MY ORIGINAL MOTION, THAT ESSENTIALLY REQUIRES  
17 CO-FUNDING FROM EACH APPLICANT.

18 DR. PRIETO: I'M FINE WITH THAT.

19 MR. HARRISON: SO SINCE THERE'S BEEN A  
20 LENGTHY DISCUSSION, LET ME RESTATE THE MOTION AS I  
21 UNDERSTAND IT. IT IS TO FUND APPROVED TRAN PROGRAMS  
22 AT A RATE OF 90.6 PERCENT OF THE REQUESTED BUDGET  
23 PROVIDED THAT THE APPLICANT AGREES TO FUND THE  
24 REMAINING 9.4 PERCENT. SO WE'RE NOT CONSIDERING  
25 WITH THIS MOTION THE APPROVAL OF THE FOUR



BARRISTERS' REPORTING SERVICE

1 APPLICATIONS, BUT JUST A REDUCTION ACROSS THE BOARD  
2 FOR ANY APPROVED APPLICATION. IS THAT CORRECT,  
3 STEVE?

4 MR. JUELSGAARD: YES, THAT IS CORRECT.

5 CHAIRMAN THOMAS: THAT PRESUPPOSES THAT  
6 EACH OF THE FOUR ARE GOING TO BE APPROVED BECAUSE IF  
7 WE HAPPEN TO HAVE ONE THAT ISN'T, THEN YOU'VE  
8 IMPOSED A PERCENTAGE REGIMEN THAT DOESN'T MAKE  
9 SENSE.

10 DR. JUELSGAARD: ALL RIGHT. SO THEN I'LL  
11 MAKE THIS A LITTLE MORE COMPLICATED THEN. I'LL SAY  
12 THAT WITH REGARD TO MY MOTION, AND BEG FRANCISCO'S  
13 INDULGENCE TO SECOND IT, THAT THAT MOTION APPLIES  
14 ONLY IF WE AGREE TO FUND ALL FOUR PROJECTS. MY  
15 MOTION, THEN, IS DEPENDENT UPON APPROVAL OF ALL  
16 FOUR. AND IN THE ABSENCE OF THE APPROVAL OF ALL  
17 FOUR, THEN IT DOESN'T APPLY, AND THE FULL FUNDING  
18 APPLY TO THE ONES WE APPROVE THAT ARE LESS THAN A  
19 FULL QUORUM.

20 MR. HARRISON: SO IT'S A  
21 CONTINGENT-CONTINGENT MOTION. I THINK I UNDERSTAND  
22 IT.

23 DR. JUELSGAARD: THE ONLY THING I HAVEN'T  
24 THROWN IN IS A DOUBLE NEGATIVE, BUT I CAN WORK ON  
25 THAT.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: I DO THINK THIS IS A  
2 FIRST, HOWEVER, MR. JUELSGAARD, AND WE ALWAYS STRIVE  
3 FOR ORIGINALITY HERE.

4 DR. JUELSGAARD: HAPPY TO PARTICIPATE.

5 CHAIRMAN THOMAS: YES. THANK YOU.

6 SO JUST SO EVERYBODY UNDERSTANDS, THE  
7 ALTERNATIVE TO THIS IS THAT WE FUND THREE IN FULL  
8 AND ONE WITH A REQUIREMENT TO MATCH, WHICHEVER ONE  
9 THAT MIGHT BE. THAT IS HOW I ASSUME WE ARE GOING TO  
10 DO HEADING INTO THIS. HOWEVER, IT DOESN'T SOUND  
11 LIKE THE SENSE OF THE COMMITTEE IS TO GO ALONG WITH  
12 THAT. INSTEAD, WHAT I'M HEARING IS THAT THERE'S  
13 MORE OF A CONSENSUS FOR MR. JUELSGAARD'S APPROACH.  
14 SO IS THERE ANY FURTHER DISCUSSION ON THAT?

15 DR. HIGGINS: MAY I ASK ONE QUESTION,  
16 CHAIRMAN THOMAS?

17 CHAIRMAN THOMAS: CERTAINLY.

18 DR. HIGGINS: JUST FOR CLARIFICATION. SO  
19 IT SEEMS TO ME LIKE A THIRD POSSIBILITY, AND THE  
20 DEVIL IS IN THE DETAILS, BUT WOULD BE TO GO BACK TO  
21 THE FULL BOARD AND GET FULL FUNDING FOR THE \$16.6 AS  
22 OPPOSED TO \$15 MILLION. IS THAT -- I KNOW THAT'S  
23 THE DECEMBER 15TH MEETING. IS THAT IMPOSSIBLE  
24 BECAUSE OF THE TIME CONSTRAINTS FOR OTHER REASONS,  
25 OR IS THAT A PLAUSIBLE -- I'M STILL TRYING TO GET

BARRISTERS' REPORTING SERVICE

1 TO -- IN MY HEAD, I THINK THIS IS RIGHT. PRESUMABLY  
2 WE ALL WANT TO FUND ALL FOUR OF THEM FULLY. AND  
3 WE'RE NOT TALKING ABOUT AN ALTERNATIVE WAY TO DO  
4 THAT. SO IS THAT OFF THE TABLE FOR SOME REASON I'M  
5 MISSING, OR IT'S JUST A TIME ISSUE?

6 CHAIRMAN THOMAS: MY REACTION, I WELCOME  
7 OTHERS, IS, AGAIN, WE HAVE A BUDGET. IT WAS  
8 CAREFULLY CONSIDERED. ANYTHING WE DO HERE IS  
9 PRECEDENTIAL AS OPPOSED PRESIDENTIAL LAST WEEK. AND  
10 IF WE DO THAT IN THIS CASE, WE COULD WIND UP IN A  
11 SITUATION EASILY NEXT YEAR AT THE END OF THE YEAR  
12 WHERE IT JUST SO HAPPENS YOU'VE GOT A BUNCH OF  
13 PROJECTS APPROVED FOR FUNDING THAT ARE \$15 MILLION  
14 OVER WHAT WE BUDGETED, BUT YET WE'VE NOW GOT THE  
15 PRECEDENT OF GOING BACK TO THE BOARD. IT TO ME  
16 BECOMES A VERY MESSY INSTANCE OF TRYING TO SORT OF  
17 SOLVE A PARTICULAR SITUATION WHICH COULD CREATE A  
18 LARGER HEADACHE. AND I WOULD BE IN FAVOR OF  
19 ADHERING TO THE BUDGET THAT WE'VE SET FORTH. I  
20 DON'T KNOW WHAT ANYBODY ELSE THINKS.

21 DR. JUELSGAARD: I CALL THE MOTION.

22 CHAIRMAN THOMAS: MOTION HAS BEEN CALLED.  
23 MARIA, WILL YOU PLEASE CALL THE ROLL.

24 MS. BONNEVILLE: ANNE-MARIE DULIEGE.  
25 DAVID HIGGINS.

BARRISTERS' REPORTING SERVICE

1 DR. HIGGINS: YES.  
2 MS. BONNEVILLE: STEVE JUELSGAARD.  
3 DR. JUELSGAARD: YES.  
4 MS. BONNEVILLE: KATHY LAPORTE.  
5 MS. LAPORTE: YES.  
6 MS. BONNEVILLE: LAUREN MILLER.  
7 MS. MILLER: YES.  
8 MS. BONNEVILLE: ADRIANA PADILLA.  
9 DR. PADILLA: I'M GOING TO HAVE TO SAY NO.  
10 MS. BONNEVILLE: JOE PANETTA.  
11 MR. PANETTA: I'M A NO.  
12 MS. BONNEVILLE: FRANCISCO PRIETO.  
13 DR. PRIETO: AYE.  
14 MS. BONNEVILLE: ROBERT QUINT.  
15 DR. QUINT: ABSTAIN.  
16 MS. BONNEVILLE: AL ROWLETT.  
17 MR. ROWLETT: YES.  
18 MS. BONNEVILLE: OS STEWARD. JONATHAN  
19 THOMAS.  
20 CHAIRMAN THOMAS: NO.  
21 MS. BONNEVILLE: ART TORRES. DIANE  
22 WINOKUR. DIANE, ARE YOU ON THE LINE? IF SO, WE  
23 CANNOT HEAR YOU.  
24 MR. HARRISON: MOTION CARRIES.  
25 CHAIRMAN THOMAS: THANK YOU, MR. HARRISON.

BARRISTERS' REPORTING SERVICE

1 SO WE WILL NOW ENTERTAIN INDIVIDUAL  
2 PROJECT MOTIONS TO APPROVE FOR FUNDING.

3 DR. PRIETO: I'D LIKE TO MAKE A MOTION TO  
4 APPROVE TRAN1-09292.

5 CHAIRMAN THOMAS: DR. PRIETO. IS THERE A  
6 SECOND?

7 DR. HIGGINS: I'LL SECOND.

8 CHAIRMAN THOMAS: IT'S BEEN MOVED AND  
9 SECONDED. DISCUSSION BY MEMBERS OF THE BOARD?  
10 PUBLIC COMMENT?

11 DR. JUELSGAARD: QUICK QUESTION, J.T. I'M  
12 ASKING THIS OF JAMES. AT THIS POINT WE DON'T  
13 DISCLOSE WHO THE APPLICANT IS; IS THAT RIGHT?

14 MR. HARRISON: UNLESS THEY HAVE  
15 SELF-DISCLOSED, THAT'S CORRECT.

16 DR. JUELSGAARD: I ASK THIS QUESTION  
17 BECAUSE --

18 CHAIRMAN THOMAS: STEVE, YOU'RE A LITTLE  
19 MUFFLED AGAIN.

20 MR. JUELSGAARD: I DON'T KNOW WHAT'S THE  
21 PROBLEM. I'M SORRY.

22 I'M JUST SAYING THAT RECENTLY, ALMOST  
23 CONCURRENTLY, TWO GROUPS, ONE FROM THE UC SYSTEM AND  
24 ONE FROM STANFORD, HAVE BOTH ANNOUNCED EFFORTS IN  
25 THIS SAME REGARD. AND SO IF ONE IS AHEAD OF THE

BARRISTERS' REPORTING SERVICE

1 OTHER IN TERMS OF FUNDING, AND I TAKE IT IF THE  
2 SECOND ONE COMES IN AND WANTS TO DO THE SAME THING,  
3 THIS WOULD PROBABLY SUPERSEDE A REQUEST BY THE  
4 OTHER. I'M JUST MAKING THAT COMMENT SINCE WE DON'T  
5 KNOW WHO IT IS.

6 CHAIRMAN THOMAS: I'M NOT SURE I FOLLOWED  
7 THAT COMMENT, MR. JUELSGAARD. IF SOMEBODY WANTS TO  
8 COME IN AND APPLY WHO HAPPENS TO BE TRAILING A BIT  
9 IN TERMS OF PROGRESS OF THE PROJECT, THEY ARE GOING  
10 TO GO BEFORE THE GWG AS EVERYBODY WOULD  
11 IRRESPECTIVE --

12 DR. JUELSGAARD: I UNDERSTAND, BUT FROM A  
13 PROGRAMMATIC POINT OF VIEW, IT WOULDN'T MAKE ANY  
14 SENSE TO FUND THE SAME THING TWICE JUST FOR TWO  
15 DIFFERENT GROUPS.

16 CHAIRMAN THOMAS: THAT OBVIOUSLY WILL BE A  
17 SOURCE OF GWG ANALYSIS, BUT I FOLLOW YOUR POINT.

18 DR. JUELSGAARD: PROGRAMMATIC REVIEW, I  
19 THINK, IS ACTUALLY MORE OF A FUNCTION OF THIS GROUP  
20 THAN IT IS OF THE GWG.

21 CHAIRMAN THOMAS: IT IS, BUT WE'RE SORT OF  
22 DEALING WITH A HYPOTHETICAL AT THE MOMENT. OKAY.  
23 OTHER COMMENTS BY MEMBERS OF THE BOARD?

24 MS. LAPORTE: YES. COULD YOU REPEAT WHICH  
25 APPLICATION IS BEING PROPOSED FOR FUNDING?

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: 09292, CURING SICKLE  
2 CELL DISEASE WITH CRISPR-CAS-9 GENOME EDITING. IT  
3 IS THE SECOND OF THE FOUR LISTED ON THE EXCEL  
4 SPREADSHEET.

5 MS. LAPORTE: RIGHT. SO ARE WE GOING TO  
6 GO THROUGH ONE BY ONE?

7 CHAIRMAN THOMAS: YES.

8 MS. LAPORTE: OKAY. WOULD IT MAKE MORE  
9 SENSE TO HAVE A MOTION TO JUST APPROVE THE TOP FOUR  
10 GIVEN THE PRIOR MOTION CARRIED?

11 CHAIRMAN THOMAS: LET ME ASK MR. HARRISON.

12 MR. HARRISON: IT'S AT THE BOARD'S  
13 DISCRETION. MEMBERS WHO HAVE AN INTEREST IN ANY  
14 APPLICATION WOULD HAVE TO VOTE EXCEPT WITH RESPECT  
15 TO THOSE FOR WHICH THEY HAVE A CONFLICT.

16 CHAIRMAN THOMAS: WE HAVE SOME CONFLICTS  
17 HERE, AND SO I THINK THAT -- NOT ON THIS ONE. WE DO  
18 HAVE ONE ON THIS ONE. WE DO. PROCEDURALLY, MR.  
19 HARRISON, WHAT ARE YOU RECOMMENDING ON THIS?

20 MR. HARRISON: IT'S REALLY AT THE BOARD'S  
21 DECISION. YOU CAN TAKE THEM ONE BY ONE, OR YOU CAN  
22 HANDLE THEM AS A GROUP. AND MEMBERS WHO HAVE AN  
23 INTEREST, AGAIN, WOULD HAVE TO VOTE YES OR NO EXCEPT  
24 WITH RESPECT TO THOSE IN WHICH THEY HAVE A CONFLICT.

25 CHAIRMAN THOMAS: OKAY.

BARRISTERS' REPORTING SERVICE

1 MR. HARRISON: MOTION THAT'S CURRENTLY ON  
2 THE TABLE IS TO FUND ONE APPLICATION.

3 CHAIRMAN THOMAS: I WOULD PREFER TO GO  
4 INDIVIDUALLY BECAUSE THERE MAY BE CONFLICTED MEMBERS  
5 ON CERTAIN OF THESE WHO MIGHT WISH TO COMMENT ON  
6 OTHERS THEY'RE NOT CONFLICTED AND CAN'T IF WE HAVE A  
7 SINGLE MOTION PERTINENT TO ALL FOUR. IF EVERYBODY  
8 WILL INDULGE ME, LET'S JUST PROCEED ONE AT A TIME.

9 ANY OTHER COMMENTS BY MEMBERS OF THE  
10 BOARD? ANY PUBLIC COMMENT? MARIA, PLEASE CALL THE  
11 ROLL.

12 MS. BONNEVILLE: ANNE-MARIE DULIEGE.  
13 DAVID HIGGINS.

14 DR. HIGGINS: YES.

15 MS. BONNEVILLE: STEVE JUELSGAARD.

16 DR. JUELSGAARD: YES.

17 MS. BONNEVILLE: KATHY LAPORTE.

18 MS. LAPORTE: YES.

19 MS. BONNEVILLE: LAUREN MILLER.

20 MS. MILLER: YES.

21 MS. BONNEVILLE: ADRIANA PADILLA.

22 DR. PADILLA: YES.

23 MS. BONNEVILLE: JOE PANETTA.

24 MR. PANETTA: YES.

25 MS. BONNEVILLE: FRANCISCO PRIETO.



BARRISTERS' REPORTING SERVICE

1 DR. PRIETO: AYE.

2 MS. BONNEVILLE: ROBERT QUINT.

3 DR. QUINT: YES.

4 MS. BONNEVILLE: AL ROWLETT.

5 MR. ROWLETT: YES.

6 MS. BONNEVILLE: OS STEWARD. JONATHAN

7 THOMAS.

8 CHAIRMAN THOMAS: YES.

9 MS. BONNEVILLE: ART TORRES. DIANE  
10 WINOKUR.

11 MOTION CARRIES.

12 CHAIRMAN THOMAS: THANK YOU. DO I HAVE A  
13 MOTION TO FUND ANOTHER OF THE TOP FOUR PROJECTS  
14 LISTED?

15 DR. PADILLA: I'LL MOVE FOR THE  
16 TRAN1-09394.

17 CHAIRMAN THOMAS: THANK YOU. IT'S BEEN  
18 MOVED TO APPROVE PROJECT 09394. FOR THOSE OF YOU  
19 WHO DON'T HAVE THE SPREADSHEET IN FRONT OF YOU,  
20 THAT'S THE TOP RANKED OF THE FOUR. IS THERE A  
21 SECOND?

22 MR. ROWLETT: I'LL SECOND.

23 CHAIRMAN THOMAS: DISCUSSION FROM MEMBERS  
24 OF THE BOARD? PUBLIC COMMENT? MARIA, PLEASE TAKE  
25 THE ROLL.

BARRISTERS' REPORTING SERVICE

1 MS. BONNEVILLE: ANNE-MARIE DULIEGE.

2 DAVID HIGGINS.

3 DR. HIGGINS: YES.

4 MS. BONNEVILLE: STEVE JUELSGAARD.

5 DR. JUELSGAARD: YES.

6 MS. BONNEVILLE: KATHY LAPORTE.

7 MS. LAPORTE: YES.

8 MS. BONNEVILLE: LAUREN MILLER.

9 MS. MILLER: YES.

10 MS. BONNEVILLE: ADRIANA PADILLA.

11 DR. PADILLA: YES.

12 MS. BONNEVILLE: JOE PANETTA.

13 MR. PANETTA: YES.

14 MS. BONNEVILLE: FRANCISCO PRIETO.

15 DR. PRIETO: AYE.

16 MS. BONNEVILLE: ROBERT QUINT.

17 DR. QUINT: YES.

18 MS. BONNEVILLE: AL ROWLETT.

19 MR. ROWLETT: YES.

20 MS. BONNEVILLE: OS STEWARD. JONATHAN

21 THOMAS.

22 CHAIRMAN THOMAS: YES.

23 MS. BONNEVILLE: ART TORRES. DIANE

24 WINOKUR.

25 MS. BONNEVILLE: MOTION CARRIES.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: THANK YOU. DO WE HAVE A  
2 MOTION TO RECOMMEND FOR FUNDING ANOTHER OF THE  
3 REMAINING TWO IN THE RECOMMENDED FOR FUNDING  
4 CATEGORY?

5 MR. SHEEHY: I HAVE A MOTION.

6 CHAIRMAN THOMAS: YES.

7 MR. SHEEHY: I WOULD LIKE TO NOT FUND  
8 09288. AND THE REASON IS IS WE ALREADY HAVE A VERY  
9 GOOD PROJECT FROM SCRIPPS THAT IS DOING SOMETHING  
10 VERY SIMILAR.

11 AND THE OTHER REASON IS THAT THIS IS A  
12 PLURIPOTENT STEM CELL PRODUCT THAT'S TARGETED FOR  
13 YOUNG PEOPLE WHO HAVE KNEE INJURY. AND THE TIME IT  
14 TAKES TO TRANSLATE THIS IS GOING TO BE ENORMOUS.  
15 GIVEN THAT WE ALREADY HAVE A PLURIPOTENT PROJECT  
16 THAT IS ALMOST IDENTICAL, JUST HAS A DIFFERENT  
17 TARGET POPULATION, I JUST DON'T SEE THIS GOING IN  
18 ANY TIME IN THE NEAR FUTURE TO YOUNG PEOPLE WHO ARE  
19 RELATIVELY HEALTHY TO DO CARTILAGE REPAIR IN THEIR  
20 KNEES.

21 SO THAT'S WHY I THINK I WOULD PREFER NOT  
22 TO FUND THIS ONE. IF THERE'S A SECOND.

23 CHAIRMAN THOMAS: IT'S BEEN MOVED BY MR.  
24 SHEEHY THAT WE NOT FUND APPLICATION 09288. IS THERE  
25 A SECOND?

BARRISTERS' REPORTING SERVICE

1 DR. PRIETO: I'LL SECOND. I'D LIKE TO  
2 DISCUSS A LITTLE.

3 CHAIRMAN THOMAS: SECONDED BY DR. PRIETO.  
4 DISCUSSION BY MEMBERS OF THE BOARD?

5 DR. PRIETO: YES. I HAVE A QUESTION ABOUT  
6 THE EXISTING PROJECT THAT WE FUNDED. ARE THEY  
7 USING, AND PERHAPS DR. SAMBRANO CAN ANSWER, ARE THEY  
8 USING THE SAME TECHNOLOGY, AND WHAT IS THEIR TARGET  
9 POPULATION?

10 MR. SHEEHY: THAT'S THE DARRYL D'LIMA  
11 PROJECT FROM, I THINK, SCRIPPS. I THINK THAT'S WHO  
12 DOES IT.

13 DR. PRIETO: AND THEIR TARGET?

14 DR. SAMBRANO: SO DR. OLSON WHO IS  
15 FAMILIAR WITH THE PROJECT.

16 DR. OLSON: IT IS AN ESC-DERIVED CARTILAGE  
17 FOR THE TREATMENT OF, I BELIEVE, OSTEOARTHRITIS. I  
18 COULDN'T TELL YOU EXACTLY WHAT THE TARGET PATIENT  
19 POPULATION IS, BUT IT IS AT A STAGE -- IT IS  
20 ESSENTIALLY IN A STAGE COMPARABLE TO THE TRAN  
21 PROJECT, AND THAT IS AN IMPORTANT PART OF THE AWARD,  
22 THAT THEY DECIDE WHAT EXACT PATIENT POPULATION  
23 THEY'RE GOING TO GO INTO AS PART OF THEIR OUTCOME IN  
24 PREPARATION FOR THE PRE-IND MEETING, WHICH IS THE  
25 EXPECTED OUTCOME OF THAT AWARD.

BARRISTERS' REPORTING SERVICE

1 DR. PRIETO: ON PROGRAMMATIC GROUNDS, THE  
2 TARGET POPULATION FOR OSTEOARTHRITIS, I THINK, WOULD  
3 BE MUCH LARGER. SO THE POTENTIAL IMPACT OF THE  
4 PROJECT THAT WE'VE ALREADY FUNDED WOULD BE GREATER.

5 DR. MILLS: ACTUALLY IT'S NOT  
6 OSTEOARTHRITIS. IT'S FOR ACUTE CARTILAGE INJURY.

7 DR. OLSON: TRAUMATIC KNEE INJURY. PARDON  
8 ME.

9 DR. PRIETO: THE SCRIPPS ONE, THE  
10 PREVIOUSLY FUNDED ONE?

11 DR. OLSON: YES.

12 MR. SHEEHY: FRANCISCO, AGAIN, JUST TRYING  
13 PROGRAMMATIC, HOW MUCH MONEY DO WE WANT TO PUT INTO  
14 USING EMBRYONIC STEM CELL-DERIVED CELLS TO CURE A  
15 KNEE INJURY? I JUST DON'T KNOW THAT I THINK THAT  
16 THAT -- AND ACTUALLY I FOUGHT AGAINST THE D'LIMA ONE  
17 IN ONE INSTANCE. SO IF YOU LOOK AT THE RISK  
18 TOLERANCE OF THE AGENCY, OF THE FDA, I JUST DON'T  
19 KNOW THAT THIS IS GOING TO TRANSLATE RAPIDLY. IF  
20 TUMORGENICITY IS A BIG ISSUE, THAT YOU HAVE TO DEAL  
21 WITH TERATOMA FORMATION, I JUST -- IT JUST IS NOT  
22 SOMETHING THAT I THINK -- AGAIN, GOING TO THE 30,000  
23 FEET AND REALLY GOING BACK TO THE DISCUSSION WE HAD  
24 A COUPLE OF YEARS AGO, WHAT DOES OUR PROGRAM LOOK  
25 LIKE? WHAT ARE OUR DISEASE PRIORITIES? WHAT ARE

BARRISTERS' REPORTING SERVICE

1 OUR TARGETS? I FEEL LIKE WE'VE SPENT ENOUGH ON  
2 KNEES. LIKE ART, I HAVEN'T GOTTEN ONE YET, BUT I  
3 NEED ONE.

4 DR. PRIETO: THE POTENTIAL IMPACT OF  
5 CARTILAGE REPAIR, JUST, AGAIN, LOOKED AT FROM, AS  
6 YOU SAID, 30,000 FEET, IS LARGE; BUT I'M TENDING TO  
7 AGREE THAT PROGRAMMATICALLY, EVEN IF THESE ARE VERY  
8 GOOD PROPOSALS, WE SHOULDN'T BE PUTTING TOO MANY OF  
9 OUR EGGS IN THIS PARTICULAR BASKET.

10 DR. MILLS: DR. PRIETO, JUST TO POINT OUT  
11 THE DISTINCTION. REPAIRING CARTILAGE, IN GENERAL,  
12 IS LARGE. ACUTE CARTILAGE DEFECTS FOR WHICH THERE  
13 HAVE BEEN CULTURED CHONDROCYTE PRODUCTS ACTUALLY ON  
14 THE MARKET FOR OVER 20 YEARS NOW IS ACTUALLY A VERY  
15 SMALL SUBSET OF PATIENTS, AND YOU USE CULTURED  
16 CHONDROCYTES TO, AT LEAST IN THESE, TO ACTUALLY  
17 REVERSE OSTEOARTHRITIS, WHICH IS A DIFFERENT DISEASE  
18 PROCESS.

19 DR. PRIETO: OKAY.

20 CHAIRMAN THOMAS: FURTHER DISCUSSION BY  
21 MEMBERS OF THE BOARD ON THE MOTION ON THE TABLE?  
22 COMMENTS FROM MEMBERS OF THE PUBLIC?

23 DR. JUELSGAARD: JUST ONE QUESTION, J.T.

24 JEFF, YOUR PROPOSAL WAS TO NOT FUND,  
25 RIGHT? YOUR MOTION WAS TO NOT FUND?

BARRISTERS' REPORTING SERVICE

1 MR. SHEEHY: YES. MY MOTION WAS TO NOT  
2 FUND IT.

3 DR. JUELSGAARD: RIGHT. QUESTION OF JAMES  
4 THEN. IT'S EASY TO -- UNDERSTANDING JEFF'S MOTION  
5 IS ACCEPTED AND WHAT HAPPENS, IF JEFF'S MOTION IS  
6 REJECTED, IS THAT A DE FACTO APPROVAL OF FUNDING?

7 MR. HARRISON: NO. IT WOULD REQUIRE A  
8 SEPARATE MOTION TO FUND.

9 DR. JUELSGAARD: ALL RIGHT. THANK YOU.

10 CHAIRMAN THOMAS: ANY OTHER COMMENTS?  
11 MARIA, CALL THE ROLL ON THIS MOTION.

12 MS. BONNEVILLE: ANNE-MARIE DULIEGE.  
13 DAVID HIGGINS.

14 DR. HIGGINS: NO.

15 MS. BONNEVILLE: STEVE JUELSGAARD.

16 DR. JUELSGAARD: NO.

17 MS. BONNEVILLE: SHERRY LANSING. KATHY  
18 LAPORTE.

19 MS. LAPORTE: A NO VOTE IS A VOTE NOT TO  
20 FUND OR A VOTE NOT TO NOT --

21 MS. BONNEVILLE: A NO VOTE IS NOT NOT  
22 FUND.

23 CHAIRMAN THOMAS: A NO VOTE IS TO TURN  
24 DOWN THE MOTION TO NOT FUND.

25 MS. LAPORTE: OKAY. NO.

BARRISTERS' REPORTING SERVICE

1 MS. BONNEVILLE: LAUREN MILLER.

2 MS. MILLER: A NO VOTE IS YOU SAY NOT TO  
3 FUND OR TO SAY NOT TO NOT FUND?

4 MS. BONNEVILLE: YES.

5 MS. MILLER: I THINK I GET THAT. I THINK  
6 NO, I THINK.

7 MS. BONNEVILLE: WE'LL TAKE THAT AS A NO.

8 ADRIANA PADILLA.

9 DR. PADILLA: YES.

10 MS. BONNEVILLE: JOE PANETTA.

11 MR. PANETTA: NO.

12 MS. BONNEVILLE: FRANCISCO PRIETO.

13 DR. PRIETO: AYE.

14 MS. BONNEVILLE: ROBERT QUINT.

15 DR. QUINT: NO.

16 MS. BONNEVILLE: AL ROWLETT.

17 MR. ROWLETT: NO.

18 MS. BONNEVILLE: JEFF SHEEHY.

19 MR. SHEEHY: YES.

20 MS. BONNEVILLE: OS STEWARD. JONATHAN

21 THOMAS.

22 CHAIRMAN THOMAS: YES.

23 MS. BONNEVILLE: ART TORRES. DIANE

24 WINOKUR.

25 MOTION FAILS.



BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: OKAY. THE MOTION HAS  
2 FAILED. DO WE HEAR -- BY THE WAY, WE HAVE ANOTHER  
3 FOUR MINUTES SCHEDULED FOR THIS CALL. WE REALLY  
4 NEED EVERYBODY TO HANG IN THERE FOR THE BALANCE OR  
5 WE LOSE OUR QUORUM. SO WE'RE ALMOST TO THE HOME  
6 STRETCH HERE. SO DO I HEAR MOTIONS TO APPROVE  
7 EITHER OF THE REMAINING TIER I PROPOSALS?

8 MS. LAPORTE: YES. I PUT A MOTION FORTH  
9 TO APPROVE TRAN1-09270.

10 CHAIRMAN THOMAS: 9270. IS THERE A  
11 SECOND?

12 DR. PRIETO: SECOND.

13 CHAIRMAN THOMAS: BEEN MOVED AND SECONDED.  
14 THIS IS THE PROJECT, DR. HELMS' PROJECT. DISCUSSION  
15 BY MEMBERS OF THE BOARD? PUBLIC COMMENT? MARIA,  
16 PLEASE TAKE THE ROLL.

17 MS. BONNEVILLE: ANNE-MARIE DULIEGE.  
18 DAVID HIGGINS.

19 DR. HIGGINS: YES.

20 MS. BONNEVILLE: STEVE JUELSGAARD.

21 DR. JUELSGAARD: YES.

22 MS. BONNEVILLE: SHERRY LANSING. KATHY  
23 LAPORTE.

24 MS. LAPORTE: YES.

25 MS. BONNEVILLE: LAUREN MILLER.

BARRISTERS' REPORTING SERVICE

1 MS. MILLER: YES.  
2 MS. BONNEVILLE: ADRIANA PADILLA.  
3 DR. PADILLA: YES.  
4 MS. BONNEVILLE: JOE PANETTA.  
5 MR. PANETTA: YES.  
6 MS. BONNEVILLE: FRANCISCO PRIETO.  
7 DR. PRIETO: AYE.  
8 MS. BONNEVILLE: ROBERT QUINT.  
9 DR. QUINT: NO.  
10 MS. BONNEVILLE: AL ROWLETT.  
11 MR. ROWLETT: YES.  
12 MS. BONNEVILLE: JEFF SHEEHY. OS STEWARD.  
13 JONATHAN THOMAS.  
14 CHAIRMAN THOMAS: YES.  
15 MS. BONNEVILLE: ART TORRES. DIANE  
16 WINOKUR.  
17 JEFF, WE COULDN'T HEAR YOU. ARE YOU ON  
18 MUTE? JEFF, WE SHOW YOU AS STILL BEING ON THE LINE.  
19 WE DON'T HAVE A QUORUM.  
20 CHAIRMAN THOMAS: THE MOTION DOES NOT ASK  
21 FOR LACK OF A QUORUM. DO WE HEAR ANY OTHER MOTIONS  
22 WITH RESPECT TO THE REMAINING PROJECT? SINCE WE  
23 DON'T HAVE A QUORUM --  
24 MR. HARRISON: WE DO FOR THAT.  
25 CHAIRMAN THOMAS: MOTIONS WITH RESPECT TO

BARRISTERS' REPORTING SERVICE

1 THE REMAINING PROJECT?

2 MS. LAPORTE: CAN SOMEBODY CALL HIM ON  
3 ANOTHER LINE? IT WOULD BE A SHAME TO SPEND ALL THIS  
4 TIME AND NOT --

5 MS. BONNEVILLE: HE HAD AN APPOINTMENT.  
6 SO I SUSPECT THAT HE HAD TO GET OFF. AND LAUREN IS  
7 ALSO OFF THE LINE NOW. SHE HAD TO GO TO ANOTHER  
8 MEETING. WE ONLY SCHEDULED IT TILL TWELVE.

9 DR. JUELSGAARD: CAN I ASK JAMES A  
10 QUESTION? JAMES, ON THE CORPORATE SIDE OF THINGS,  
11 OFTENTIMES GROUPS, BOARD OF DIRECTORS OR COMMITTEES  
12 OF THE BOARD, ETC., CAN ACT BY WRITTEN CONSENT TO  
13 APPROVE THINGS. WE'VE NEVER DONE THAT HERE, BUT IS  
14 THAT A POSSIBILITY UNDER STATE LAW, THAT YOU CAN ACT  
15 BY WRITTEN CONSENT, OR IS THAT JUST A MATTER OF  
16 CORPORATE LAW?

17 MR. HARRISON: THAT'S A MATTER OF  
18 CORPORATE LAW, STEVE. UNFORTUNATELY, STATE LAW SAYS  
19 ACTIONS OF THE BOARD NEED TO BE TAKEN AT A PUBLICLY  
20 NOTICED MEETING.

21 DR. JUELSGAARD: OKAY. GOT IT.

22 THERE'S ONE MORE THAT WE HAVEN'T VOTED ON,  
23 IS THAT RIGHT? THAT'S THE ONE THAT JEFF RECOMMENDED  
24 THAT NOT BE APPROVED?

25 MR. HARRISON: RIGHT. 9288.

BARRISTERS' REPORTING SERVICE

1 DR. JUELSGAARD: THAT'S THE ONE FOR WHICH  
2 WE HAVE A QUORUM?

3 MS. BONNEVILLE: WE ACTUALLY NO LONGER  
4 HAVE A QUORUM. A COUPLE OF MEMBERS HAD TO DROP OFF.

5 DR. JUELSGAARD: WE HAVE NO QUORUM FOR  
6 ANYTHING ELSE; IS THAT RIGHT?

7 MS. BONNEVILLE: THAT'S CORRECT.

8 YOU WANT TO SUGGEST TO BRING THIS TO THE  
9 DECEMBER MEETING, THE REMAINING BUSINESS, OR WOULD  
10 YOU LIKE TO CALL A SPECIAL MEETING?

11 CHAIRMAN THOMAS: I WOULD LIKE TO CALL A  
12 SPECIAL MEETING, IF THAT IS DOABLE, PENDING  
13 AVAILABILITY BECAUSE WE WANT TO ADDRESS THIS AS SOON  
14 AS POSSIBLE AND WOULD NOT LIKE TO HAVE IT HANG OVER  
15 TO THE NEXT MEETING.

16 MS. BONNEVILLE: IT'S DECEMBER 13TH. IT'S  
17 THREE AND A HALF WEEKS AWAY.

18 DR. JUELSGAARD: I'M WITH J.T. WHY CAN'T  
19 WE HAVE A MEETING SOONER THAN THAT?

20 MS. BONNEVILLE: WE CAN. I'LL CHECK  
21 EVERYONE'S AVAILABILITY.

22 DR. JUELSGAARD: AND MAKE A PLEA FOR  
23 PEOPLE TO PARTICIPATE. FOR GOSH SAKES, THIS IS  
24 SOMETHING THAT YOU'VE SIGNED UP TO DO. SO I  
25 UNDERSTAND THAT THERE MAY BE EXCEPTIONAL CASES WHERE

BARRISTERS' REPORTING SERVICE

1 PEOPLE CAN'T ATTEND, BUT THEY SHOULD BE EXCEPTIONAL  
2 CASES.

3 MS. BONNEVILLE: I CAN TRY AND SCHEDULE A  
4 MEETING BEFORE THE DECEMBER 13TH MEETING. WE CAN  
5 DEFINITELY TRY IT.

6 MR. ROWLETT: COULD YOU ALSO PROVIDE A  
7 SUMMARY OF JUST WHAT'S TRANSPIRED TODAY FOR EVERYONE  
8 SO THEY CAN EQUALLY UNDERSTAND THE IMPORTANCE OF  
9 BEING ON THE CALL. I UNDERSTAND THAT PEOPLE HAVE TO  
10 GET OFF, BUT THAT WOULD BE VERY HELPFUL.

11 MS. BONNEVILLE: ABSOLUTELY.

12 CHAIRMAN THOMAS: OKAY. WE WILL ATTEMPT  
13 TO DO THAT, AND WE'LL BE BACK TO EVERYBODY SHORTLY  
14 WITH RESPECT TO THE RESCHEDULE. IF WE ARE UNABLE TO  
15 RESCHEDULE IN ADVANCE OF THE NEXT BOARD MEETING, WE  
16 WILL TAKE THIS UP AT THAT TIME. WE WILL MAKE EVERY  
17 EFFORT TO HAVE A MEETING TO ADDRESS THIS AS SOON AS  
18 POSSIBLE.

19 MR. REED: I JUST WANTED TO ASK IS  
20 THERE -- IS THIS MEETING -- TWO PEOPLE GOT LOST THAT  
21 MIGHT HAVE MADE A DIFFERENCE. IS THIS MEETING TO  
22 DISCUSS THAT PROBLEM?

23 MS. BONNEVILLE: TO COMPLETE OUR BUSINESS.

24 CHAIRMAN THOMAS: THAT CONCLUDES THE  
25 MEETING TODAY. THANK YOU VERY MUCH, EVERYBODY.

BARRISTERS' REPORTING SERVICE

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(THE MEETING WAS THEN CONCLUDED AT  
12:03 PM.)

BARRISTERS' REPORTING SERVICE

REPORTER'S CERTIFICATE

I, BETH C. DRAIN, A CERTIFIED SHORTHAND REPORTER IN AND FOR THE STATE OF CALIFORNIA, HEREBY CERTIFY THAT THE FOREGOING TRANSCRIPT OF THE TELEPHONIC PROCEEDINGS BEFORE THE INDEPENDENT CITIZEN'S OVERSIGHT COMMITTEE AND THE APPLICATION REVIEW SUBCOMMITTEE OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS REGULAR MEETING HELD ON NOVEMBER 17, 2016, WAS HELD AS HEREIN APPEARS AND THAT THIS IS THE ORIGINAL TRANSCRIPT THEREOF AND THAT THE STATEMENTS THAT APPEAR IN THIS TRANSCRIPT WERE REPORTED STENOGRAPHICALLY BY ME AND TRANSCRIBED BY ME. I ALSO CERTIFY THAT THIS TRANSCRIPT IS A TRUE AND ACCURATE RECORD OF THE PROCEEDING.

BETH C. DRAIN, CSR 7152  
BARRISTERS' REPORTING SERVICE  
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