

**ILLINOISVENTURES, LLC**  
**BOARD OF MANAGERS**  
**MEETING MINUTES**  
**October 21, 2014**  
**i-Hotel and Conference Center**  
**Champaign, IL**

Call to Order

Chair Ed McMillan called the meeting of the IllinoisVENTURES, LLC Board of Managers to order at 11:03 a.m. and welcomed all attendees. Secretary Designee Heidi Rockwood completed the roll call and it was determined that a quorum of the voting managers were present.

Present and participating in the meeting were:

Voting Managers

Ed McMillan  
Mitra Dutta  
Brendan Fox\*  
Jeremy Hollis  
Warren Holtsberg\*  
Lesley Millar-Nicholson  
Franklyn Prendergast\*  
Peter Schiffer

Non-voting Managers

Mike Bass  
Walter Knorr  
Larry Schook  
Nancy Sullivan

Absent

William Tai  
Michael Tokarz  
Wesley Curtis

Other Persons

Kevin Berliner  
Arun Bhatia  
Cathy McCarthy  
John Regan  
Heidi Rockwood  
Tom Siegel

(\*denotes persons participating via phone)

Chair McMillan announced that Heidi Rockwood would be taking minutes for Wes Curtis who is absent and asked the board if it was permissible for everyone for her to record the open session for the sole purpose of taking minutes and the recording will be deleted after the minutes are completed. Hearing no objections, the open session was recorded.

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Approval of BOM Minutes of July 25, 2014 Executive Committee Minutes, July 30, 2014 Board of Managers Minutes, and September 19, 2014 Plenary Session Minutes

Chair McMillan asked if there were any questions or corrections to the July 25, 2014 Executive Committee minutes, July 30, 2014 Board of Managers minutes, and the September 19, 2014 Plenary Session minutes. There being none, **Mitra Dutta moved that the minutes be approved as presented. Warren Holtsberg seconded the motion and the minutes were unanimously approved.**

Affirmation of budget approval by email

Nancy Sullivan explained there was not a modification to the budget and requested affirmation of the FY2015 budget approval, which was previously received via e-mail. **Peter Schiffer moved to affirm the FY2015 budget as previously approved approximately three weeks ago by the Board of Managers via email. Lesley Millar-Nicholson seconded the motion and the budget was unanimously affirmed.**

IllinoisVENTURES Strategic Plan

Nancy Sullivan announced that Jeremy Hollis is moving to IllinoisVENTURES to take over the Proof of Concept activities and that he will not be taking any board action nor be engaged in board activity and that he had recused himself from the votes on the budget. Nancy also announced that Arun Bhatia will be moving campuses from the Chicago office to the Champaign-Urbana office.

Nancy noted that all the data Board members have in their board package includes all materials from Dave Matheson from the July meeting, plus his write-up which summarizes the strategic plan. Chair McMillan asked if there were any questions or comments and a discussion ensued.

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Memorandum of Understanding (MOU) in Response to BOM Approval and Authorization of IllinoisVENTURES Strategic Plan

Nancy Sullivan explained that the Board had passed a resolution at the July 30, 2014 meeting that was contingent on some additional financing from the university in order to act upon the strategic plan and she wanted to share with the Board the resulting MOU. The MOU was executed within the required 30 day time period, effective August 30, 2014.

Budget Review

Nancy Sullivan discussed the FY15 three months actual financial statement and variances Chair McMillan asked if there were questions and a discussion ensued.

Update on Regional POC

Jeremy Hollis explained that he is primarily focused on running the regional POC. IV finalized the grants in July and officially kicked off the program at the end of last month. The Regional POC is a matching fund program, providing additional proof of concept dollars on top of what institutions already provide, focused on all research institutions within Illinois. Chair McMillan asked if there were any additional questions and a discussion ensued.

Grant Opportunities

Nancy Sullivan discussed that during the strategic planning process, the executive committee encouraged IllinoisVENTURES to consider grant opportunities that fit into its mission. Tom Siegel and Jeremy Hollis discussed two grants that fit strongly with IllinoisVENTURES' mission.

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EDA Grant I6 POC

Jeremy Hollis explained that Illinois VENTURES will apply for a Federal grant, the EDA I6 Grant, which provides up to \$500,000 to programs dedicated to the development, creation or expansion of POC centers and the focus by EDA is on innovation, entrepreneurship, regional connectivity, and commercialization of research. The application deadline is November 3, 2014 and grant recipients will be notified no later than early February 2015.

EDA Grant Seed Investment

Tom Siegel then spoke about the EDA Cluster grant for seed funds. This is the first time they have funded the cluster seed grants. Illinois VENTURES will apply for this Federal grant, which focuses on accelerating the time to market in growing companies at the seed investment level. It is for early stage companies only and provides for up to \$250,000 over 2 years with the funding to be used for feasibility analysis, marketing assistance, technical assistance, consulting etc., and cannot be used for investment capital.

Subject Matter Expert Advisors

Nancy Sullivan discussed the need for expert advisors to assist with evaluating our opportunities and getting feedback as well as making investments to help those companies go forward. She stated Illinois VENTURES will actively look for advisors and a discussion ensued.

Fund III Update

Nancy Sullivan informed the board that conversations have taken place with legal counsel pertaining to an IETF Fund III and more work will be done in the coming months.

Annual Board Training Update

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Nancy Sullivan introduced Cathy McCarthy, Assistant Director of FOIA who spoke about FOIA (Freedom of Information Act). Ed McMillan asked if there were any questions and a discussion ensued. Nancy indicated this is part of annual board training, that last year IV covered the Open Meetings Act.

Chair McMillan asked to take a 15 minute break for lunch at 12:22 pm. and the board reconvened at 12:37 pm.

Executive Session

**Brendan Fox moved to move into Executive Session:**

- **To review and approve Executive Session minutes of July 30, 2014;**
- **To review previous Executive Session minutes for possible public release; and**
- **To discuss confidential financial and proprietary information of companies currently in Illinois VENTURES' portfolio and pipeline, which if disclosed, would cause competitive harm.**
- **To discuss confidential and proprietary information as it relates to potential investors**

**Warren Holtsberg seconded the motion.**

The board reconvened at 1:29 p.m.

Franklyn Prendergast was participating via phone and did not participate for the remainder of the meeting.

Approval of Executive Session Meeting Minutes for Release

After a general discussion by the board, no additional Executive Session Meeting minutes were voted upon for release.

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New/Old Business

Chair McMillan asked if there was any new or old business. There was no new or old business.

**Lesley Millar-Nicholson moved to adjourn. Peter Schiffer seconded the motion which was unanimously approved** and the meeting adjourned at 1:31 p.m.

Respectfully submitted,

Heidi Rockwood  
Secretary's Delegate

**Approved by the Board of Managers on February 10, 2015**