

**ILLINOISVENTURES, LLC  
BOARD OF MANAGERS  
MEETING MINUTES  
April 10, 2018  
11:00 a.m. – 2:00 p.m. CDT  
Orange and Blue Room, Illini Center  
200 S Wacker Drive, 19<sup>th</sup> Floor  
Chicago, IL 60606**

**Call to Order**

Chair Ed McMillan called the meeting of the IllinoisVENTURES, LLC Board of Managers meeting to order at 11:03 a.m. Collin Richmond completed the roll call and it was determined that a quorum of the voting committee member was present. Present and participating in the meeting were:

Voting Managers

Ed McMillan  
Susan Martinis (joined at 11:09am)  
Mitra Dutta  
Nate Hoffmann (joined via phone)  
Mike Tokarz  
Suseelan Pookote  
Dennis Hesch  
Anthony DiTommaso

Absent Voting Member

Mike Liang

Other Persons

Collin Richmond  
Tom Parkinson  
Pat Flavin  
Daniel Gambrell  
Christopher Valera

Non-Voting Managers

Avijit Ghosh  
Nancy Sullivan  
Ed Seidel  
Mike Bass

**Action Item: Approval of the Minutes of the January 16, 2018 Meeting Minutes (Open Session)**

No changes or issues were noted regarding the minutes from the Board of Managers open session meeting on January 16<sup>th</sup>, 2018. **Chair McMillan accepted a motion from Anthony DiTommaso to approve the minutes from the January 16<sup>th</sup>, 2018 Board of Managers open session meeting as presented, seconded by Mike Tokarz, and approved unanimously.**

### **Motion for Executive Session**

Chair McMillan asked for a motion to move into Executive Session to: (i) discuss and approve Executive Session minutes of the last meeting; (ii) discuss and review Executive Session minutes for potential release; (iii) discuss business, marketing and other confidential financial information and strategies pertaining to IETF Fund III which, if disclosed, would cause competitive harm; and (iv) discuss confidential financial and proprietary information of companies currently in Illinois VENTURES's portfolio, managed by Illinois VENTURESs or in its pipeline which, if disclosed, would cause competitive harm.

It was so moved by Mitra Dutta, seconded by Mike Tokarz and approved unanimously. Chair McMillan adjourned the Open Session at 11:05 am to move into Executive Session.

### **Open Session Reconvened**

The Open Session was reconvened at 12:46 p.m. A roll call was taken and a quorum was present.

### **Action Item: Review of Executive Session Minutes for Releases**

Upon a motion from Mike Tokarz and seconded by Anthony DiTommaso, the Board unanimously voted not to release additional minutes from previous Executive Session meetings.

### **Action Item: Approval of Investments**

Chair McMillan asked for a motion for the contingent approval of a \$150K investment in a cancer therapeutic company contingent on them being able to recruit an

**experienced management team that would be involved with the company on a part-time basis. The motion was made by Mike Tokarz, seconded by Suseelan Pookote, and approved unanimously.**

**Chair McMillan asked for a motion to approve a \$29,000 follow-on investment in Cast21, Inc. The motion made by Mitra Dutta, seconded by Susan Martinis, and approved unanimously.**

**Chair McMillan asked for a motion to approve a \$150K investment into Xaptum, Inc. The motion was made by Suseelan Pookote, seconded by Mitra Dutta, and approved unanimously.**

#### **Action Item: Election of Member to Executive Committee**

Nancy Sullivan reminded the Board that at the January 18<sup>th</sup>, 2018 Board of Managers meeting, the Chair appointed members to the Compensation Committee and the Finance and Audit Committee. The Compensation Committee is chaired by Anthony DiTommaso, and includes Mike Tokarz, Ed McMillan, and Mike Liang. The Finance and Audit Committee is chaired by Mike Tokarz, and includes Dennis Hesch and Avijit Ghosh.

The Executive Committee is elected by the Board and serves as an executive level in management of issues that may come before the Board. Historically, the Committee has weighed in on the creation of Illinois Emerging Technologies Fund III and whether or not to raise the Fund. With the resignation of Brendan Fox, a member of the Executive Committee, the Board needs to elect a new member to the Executive Committee.

**Chair McMillan entertained nominations for a new member of the Executive Committee. Suseelan Pookote nominated Anthony DiTommaso. The nomination was seconded by Mike Tokarz. There were no other nominations. Anthony DiTommaso was elected unanimously to the Executive Committee.**

**Action Item: Amendment to Illinois VENTURES Operating Agreement**

Upon a motion by Dennis Hesch, which was seconded by Anthony DiTommaso, the Board voted unanimously to approve the following resolution regarding the Illinois VENTURES Operating Agreement:

RESOLUTION FOR  
MEETING OF Illinois VENTURES, LLC  
BOARD OF MANAGERS  
April 10, 2018

WHEREAS, the Operating Agreement (the “Agreement”) for Illinois VENTURES, LLC (the “Company”) specifies that the office of Secretary shall be held by the University Counsel of the University of Illinois or his/her designee; and

WHEREAS, the University of Illinois and the Board of Managers of the Company (“Board of Managers”) now agree that, on a going-forward basis the role of Secretary should be held by an individual who has been elected by Board of Managers;

THEREFORE, BE IT RESOLVED that the Agreement for the Company shall be amended to specify that the Secretary shall be elected by the Board of Managers, and that the duties of the Secretary shall be as follows:

1. ensuring that notices of all meetings of the Board of Managers are issued where notices of such meetings are required by law or the Agreement;
2. ensuring that the minutes of such meetings are taken and maintained; and
3. performing such other duties as usually pertain to the office of the Secretary or as are properly required by the Board of Managers.

**Action Item: Election of Secretary**

Chair McMillan entertained nominations for the election of Secretary to the Illinois VENTURES Board of Managers. Mitra Dutta nominated Suseelan Pookote. The nomination was seconded by Anthony DiTommaso. There were no other nominations. Suseelan Pookote was unanimously elected to the office of Secretary.

### **Discussion Item: Board Training**

Collin Richmond provided training regarding the Open Meetings Act and Freedom of Information Act. Training materials were provided to each board member which included: the Illinois VENTURES Amended and Restated Operating Agreement, the Illinois VENTURES Amended and Restated Services and Management Agreement, excerpts from the University of Illinois Board of Trustees minutes from January and March 2002, indicating that Illinois VENTURES would voluntarily comply with the Open Meetings Act and the Freedom of Information Act, and FAQs for public bodies relating to the Open Meetings Act and the Freedom of Information Act. Mr. Richmond took questions from the Board following the training.

### **Discussion Item: FY18 Actual vs Plan Budget Overview**

Ms. Sullivan reviewed Illinois VENTURES financial results for FY18 to date in comparison to the Budget. Funding sources were \$10K short of what was expected, eight months into the fiscal year.

Operational expenses were below budget, with the majority of the underspending being on personnel. As the Board has approved, Illinois VENTURES is moving forward with several new hires.

Ms. Sullivan moved on to restricted funds. While there appears to be an underfunding of about \$180K in the POC Program, this just means that a smaller amount was invested in projects this cycle than what had been expected, and not that the University gave the program less funding.

Evergreen Proceeds have exceeded what was expected.

On the investment side, IllinoisVENTURES has funded approximately \$180K versus an expectation of \$420K. However, Ms. Sullivan noted that this number would change after the three investments that were approved at this meeting would go through.

**Discussion Item: UIC POC Program Overview**

Ms. Sullivan updated the Board on the Chancellor's Innovation Fund Proof of Concept Program with updated outcomes from current and past projects. At the meeting, a copy of the report that was to be presented to the Chancellor was available for those in attendance to review.

**Adjournment**

**Having no other old or new business, the meeting adjourned at 1:46 p.m. as moved by Mike Tokarz and seconded by Mitra Dutta, the motion having passed unanimously.**

Respectfully submitted,

Christopher Valera