Approved by the Board on October 10, 2025

ILLINOIS VENTURES, LLC
BOARD OF MANAGERS
MEETING MINUTES
July 24, 2025
9:31 a.m. - 10:31 a.m. CDT

McMillan Meeting Room, EnterpriseWorks
60 Hazelwood Drive
Champaign, IL 61820

Conference Room 2006, DPI
200 S Wacker Dr, 20th Floor
Chicago, IL 60606

John's Island Library - Meeting Room
531 Maybank Highway
John's Island, SC 29455

Call to Order

Chair Dennis Hesch called the meeting to order at 9:31 a.m. CDT and requested that Secretary Suseelan Pookote take the roll call. Secretary Pookote took the roll call and confirmed that there was a quorum of voting members physically present. Present and participating were:

Voting Members – Champaign
Dennis Hesch
Nate Hoffmann
Susan Martinis (joined 10:15 am)
Jeff Brown

Voting Members – Chicago
Joanna Groden
Debbie Paul
Suseelan Pookote

Voting Members – John's Island
Todd Lillibridge

Voting Members Remote
Guy Padbury
Sarah Phalen
Mike Tokarz

Non-Voting Member – Chicago
Nancy Sullivan

Others Present – Champaign
Jacob Kinsey
Rishit Parikh

Others Present – Chicago
Paul Magelli
Mark O'Connor
Christopher Valera

Other Present – Remote
Andrea Schneider

Executive Session

Chair Hesch accepted a motion to move into Executive Session to (i) discuss Executive Session minutes of the last meeting; (ii) to discuss matters pertaining to the sale or purchase of

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securities, investments or investment contracts and confidential financial and proprietary information of companies currently in Illinois Ventures' portfolio, managed by Illinois Ventures, or in its pipeline which, if disclosed, would cause competitive harm, and (iii) the appointment, employment, compensation, discipline, performance, or dismissal of specific employees. In addition, only the members and officers of Illinois Ventures and others who were directly involved in the matter which was the basis for the closed meeting would attend the meeting.

This was moved by Dr. Brown, seconded by Mr. Hoffmann, and approved unanimously.

Chair Hesch suspended the meeting at 9:33 a.m. CDT to move into executive session and reconvened at 10:54 am CDT. A quorum was present.

Discussion Item: UIUC Research & Venture Update

Ms. Sullivan invited Dr. Martinis, Vice Chancellor for Research & Innovation at University of Illinois Urbana-Champaign, to share with the Board what impact federal changes have had on campus funded research. She also invited Dr. Groden, Vice Chancellor for Research at University of Illinois Chicago, to share the same for the UIC campus. Ms. Sullivan also spoke to the impact that federal changes have had on the general venture landscape in the US.

Discussion regarding the topic occurred throughout.

Discussion Items: Committee Reports

Chair of the Compensation Committee, Mr. Lillibridge, provided an update from the June 16th, 2025 Committee meeting. Chair of the Finance and Audit Committee, Mr. Tokarz, and Ms. Sulivan both shared with the Board an update from the June 10th,2025 Committee meeting.

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Compensation Committee

The Committee met on Monday, June 16th and reviewed: email votes taken regarding hiring; the Compensation Committee charter, of which there were no updates to the Charter; the Illinois Ventures Compensation Policy, of which there were no material updates to the Policy; carried interest; and FY25 Incentive Compensation recommendations. The Committee approved: the October 8, 2024 Open and Executive Session minutes; 2026 Meeting Schedule; and the recommendation to the Board regarding Incentive Compensation.

Finance & Audit Committee

The Committee met on Tuesday, June 10th and reviewed: the Finance & Audit Committee charter, of which there were no updates to the Charter; FY25 Actual vs Budget through April; FY26 Illinois Ventures Budget; FY25 Audit process and next steps; and the presentation on status of Venture.

Discussion Items: Financial Operations Updates

Ms. Sullivan shared with the Board various updates related to the financial operations of the organization.

FY25 Actual vs. Plan

A summary of financial performance through May was presented, comparing actual results to the budget and providing updates on investments and any proceeds received. The presentation highlighted and explained the material offsetting variances.

FY26 Budget

After the packets had been sent out and the agenda set, Illinois Ventures received confirmation from the University that it would receive its appropriation at the same level as FY25 and would be granted the one-time budget request for replenishment of the Pre-Seed Fund balance.

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As a vote on the FY26 Budget was not included on the agenda, Ms. Sullivan proceeded with requesting a vote from the Board on the FY26 Budget resolution during the roll call agenda. She noted that a follow-up email vote would be conducted to approve the FY26 Budget. For reference, the resolution is included below.

RESOLUTION FOR
MEETING OF ILLINOIS VENTURES, LLC
BOARD OF MANAGERS
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WHEREAS, the University of Illinois Board of Trustees has not approved a budget for FY26;

WHEREAS, one source of funding for Illinois Ventures is an appropriation from the University;

WHEREAS, Illinois Ventures estimates the base appropriation for FY26 to be near or at the FY25 appropriation;

WHEREAS, the submitted FY26 budget level was lower than the FY25 appropriation;

WHEREAS, Illinois Ventures receives management fees from the Illinois Emerging Technologies Fund III and Illinois Deep Technology Strategic Venture Fund;

WHEREAS, the Illinois Ventures Board of Managers will not approve a budget for FY26 until the total amount of FY26 funding from the University is approved;

THEREFORE, BE IT RESOLVED that Illinois Ventures will operate its business at the submitted FY26 Budget level as presented to the University and the Board of Managers in April 2025 until the earlier of the next Illinois Ventures Board of Managers meeting on October 10, 2025 or a FY26 budget is approved by the Illinois Ventures Board of Managers.

Update to Payment Process

Following up on a discussion in the January 2025 meeting, Ms. Sullivan reminded the Board that Illinois Ventures was exploring obtaining a debit card to pay for services that would only accept credit/debit cards and where a University P-Card would not be appropriate to use. During the roll call agenda, Ms. Sullivan would request the Board to approve.

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Update to Resolution regarding Authorized Payment Signers

At the time of the meeting, Illinois Ventures was in the search process for a Chief Financial Manager (CFM). One responsibility was to be an authorized signer for payments below a certain threshold. In order to maintain continuity while hiring of the CFM, Ms. Sullivan proposed a resolution for the Board to vote on during the roll call vote to allow the CFM to be the authorized signer when they are hired, and for a Senior Director (Jake Kinsey) to sign in place of a CFM if they are absent or there is a vacancy in the role. There were no suggested changes to the thresholds for signing. For reference, the resolution is included below.

RESOLUTION FOR
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WHEREAS, the Amended and Restated Operating Agreement of Illinois Ventures, LLC, dated April 10, 2018, requires that, unless otherwise authorized by the Board of Managers, all contracts, leases, agreements, and checks executed on behalf of Illinois Ventures, LLC require two authorized signatures regardless of the amount; and

WHEREAS, on January 27, 2022, the Board of Managers authorized Nancy Harvey, Senior Director of Illinois Ventures, as a signer for checks, electronic payments, and wire approvals for all amounts under $2,000, and for recurring payments to vendors under contract with Illinois Ventures up to $5,000; and

WHEREAS, all other instruments creating a financial obligation or liability for Illinois Ventures, LLC are currently executed by the Chief Executive Officer & Managing Director, Nancy Sullivan, and the Board Treasurer, Paul Ellinger; and

WHEREAS, Nancy Harvey is expected to leave the University of Illinois, effective August 1, 2025; and

WHEREAS, a search is underway to hire an individual to serve as Chief Financial Manager of Illinois Ventures, LLC; and

WHEREAS, it is recommended that the individual appointed as Chief Financial Manager be granted the same financial signing authority previously delegated to Nancy Harvey; and

WHEREAS, such signing authority would apply only to routine financial transactions under the specified limits and shall not extend to investment documents, disbursements in excess of the approved thresholds, or contractual agreements, which shall continue to require two authorized signatures;

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NOW, THEREFORE, BE IT RESOLVED, that the individual appointed to serve as Chief Financial Manager of Illinois Ventures, LLC, is hereby authorized to approve checks, electronic payments, and wire transfers up to $2,000 per transaction, and to approve recurring payments to vendors under contract with Illinois Ventures, LLC up to $5,000 per transaction; and

FURTHER BE IT RESOLVED, that in the absence or vacancy of the Chief Financial Manager, a Senior Director of Illinois Ventures may temporarily exercise this signing authority.

Discussion Item: Illini Angels Update

Mr. Magelli provided an update on the status of Illini Angels including high level details about the Illini Angels portfolio and its investments, member engagement during year 2 and into year 3, and plans for growing Angels' membership.

Discussion Items: Programmatic & Operational Updates

Ms. Sullivan shared with the Board various updates related to the programs and operations of the organization.

Magelli Prize Recipient – Tandemn

Tandemn was awarded the Dr. Paul Magelli Innovation Prize by Illinois Ventures during the COZAD New Venture Competition in April 2025. The Company is expanding access to artificial intelligence by utilizing idle GPUs to create shared and cost-effective computing networks.

Illinois Ventures 25th Anniversary Celebration

In October, Illinois Ventures will hold an anniversary dinner during Founders Week in Champaign. In addition, Illinois Ventures will host a reception alongside Research Park, and the Technology Entrepreneur Center to celebrate their shared 25th anniversaries. Invitations for the dinner, as well as all of the Founders Week activities would in the weeks following the meeting.

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2026 Meeting Schedule

The 2026 meeting dates were shared on screen. The proposed dates were:

- Tuesday, January 27, 2026, 10am-12pm CT, in-person with video conference at public locations
- Tuesday, April 14, 2026, 11am-2pm CT, in-person in Chicago
- Tuesday, July 14, 2026, 10am-12pm CT, in-person with video conference at public locations
- Tuesday, October 13, 2026, 11am-2pm CT, in-person in Champaign

Action Item: Roll Call Agenda

Chair Hesch requested a motion to approve the roll call agenda. This was moved by Dr. Brown and seconded by Dr. Martinis. The Board unanimously voted to approve the following items:

1. **The Open and Executive Session Minutes of the April 8, 2025 Meeting of the Illinois Ventures, LLC Board of Managers**
2. **The FY26 Budget Resolution as presented and included in the packet**
3. **Issuing a debit card on the Illinois Ventures Operating Account at Busey Bank**
4. **The Resolution regarding Authorized Payment Signers as presented and included in the packet**
5. **The 2026 Meeting Schedule**
6. **The Compensation Committee's Recommendation of forgoing awarding Incentive Compensation for FY25**
7. **An investment of $44,820 into Tandem, Inc's Series Seed round, subject to receiving Information and Pro-rata Rights**
8. **An investment of $50,000 into Teaching Company of San Francisco's Seed Round via a SAFE**

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<u>Public Comment</u>

The Board allows for a public comment session during each meeting. The Secretary received no requests for this meeting.

<u>Adjourn</u>

There being no new or old business, a motion to adjourn the meeting of the Illinois Ventures, LLC Board of Managers was made by Mr. Hoffmann, seconded by Dr. Martinis, and approved unanimously.

The meeting was adjourned at 10:31 a.m. CDT.

Respectfully submitted,

Christopher Valera

On behalf of Suseelan Pookote, Board Secretary