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OPERATING AGREEMENT  
FOR  
IllinoisVENTURES, LLC

THIS AMENDED AND RESTATED OPERATING AGREEMENT (the "Agreement") is made and entered as of this 11<sup>th</sup> day of September, 2003, 2012 by and between The Board of Trustees of the University of Illinois (the "Member") and IllinoisVENTURES, LLC.

RECITALS

- A. Pursuant to its authority under the University of Illinois Act, the Member ~~has~~ formed IllinoisVENTURES, LLC (the "Company") and ~~has~~ filed Articles of Organization for the Company with the Secretary of State of Illinois on May 30, 2000.
- B. The Member and the Company ~~now wish to enter~~previously entered into ~~this Agreement to regulate the affairs of the Company and the conduct of its business and to govern relations among the Member, the Company, and the Managers of the Company~~an Operating Agreement for the Company with an effective date of September 25, 2000 and last amended September, 2003 (the "Prior Operating Agreement"); and pursuant to resolutions adopted by the Board of Trustees of the University of Illinois as of the date hereof, the Member and the Company desire to amend and restate the Prior Operating Agreement in its entirety.

NOW, THEREFORE, the parties agree as follows, and effective as of the date hereof, this Agreement shall be the Operating Agreement of the Company:

1. COMPANY FORMATION AND REGISTERED AGENT

- 1.1. RECITALS. The recitals set forth above are incorporated herein and made a part hereof, as if fully set forth herein.
- 1.2. FORMATION. The Member has caused the Company to be formed as a limited liability company in accordance with and pursuant to the provisions of the Illinois Limited Liability Company Act (the "Act") by executing and delivering Articles of Organization for the Company to the Illinois Secretary of State.
- 1.3. NAME. The name of the Company is "IllinoisVENTURES, LLC."
- 1.4. REGISTERED OFFICE AND AGENT. ~~The location of the registered office of the Company shall be at the office of the Company's registered agent at the address of 349 Henry Administration Building, 506 South Wright Street, Urbana, Illinois 61801, and the name of the Company's initial registered agent shall be Stephen K. Rugg. The registered office and registered agent may be changed by filing the address of the new registered office and/or~~

name of the new registered agent registered office and the registered agent of the Company have been designated in the Articles of Organization for the Company and in subsequent filings with the Illinois Secretary of State pursuant to the Act, and may hereafter be changed by resolution of the Board of Managers and filings with the Illinois Secretary of State pursuant to the Act.

- 1.5. PRINCIPAL PLACE OF BUSINESS. The location of the principal place of business of the Company within the State of Illinois ~~shall be: 349 Henry Administration Building, 506 South Wright Street, Urbana, Illinois 61801 or at such other place as the Managers from time to time select~~has been designated in the Articles of Organization for the Company and in subsequent filings with the Illinois Secretary of State pursuant to the Act, and may hereafter be changed by resolution of the Board of Managers and filings with the Illinois Secretary of State pursuant to the Act.
- 1.6. TERM. The Company shall continue for a perpetual term unless dissolved by:
- 1.6.1. The vote for dissolution by the Member; or
- 1.6.2. Any other event requiring a dissolution of a limited liability company under the Act.
- 1.7. CONTINUANCE OF COMPANY. Notwithstanding the provisions of Section 1.6.2, in the event of an occurrence described in Section 1.6.2, the Member shall have the right to continue the business of the Company as allowed by law.
- 1.8. COMPANY PURPOSE. The purpose of the Company is as stated in the Articles of Organization.
- ~~1.9. EFFECTIVE DATE. This Agreement shall become effective as of 12:01 a.m., September 25, 2000 (the "Effective Date").~~

## 2. DEFINITIONS

The following terms used in this Agreement shall have the following meanings:

- 2.1. "ACT" means the Illinois Limited Liability Company Act at 805 ILCS 180/9-9 et seq, as amended from time to time.
- 2.2. "AGREEMENT" means this operating agreement and the exhibits thereto.
- 2.3. "ARTICLES OF ORGANIZATION" means the Articles of Organization of the Company as filed with the Illinois Secretary of State, as amended from time to time.
- 2.4. "CEO/Managing Director~~MANAGING DIRECTOR~~" means Chief Executive Officer/Managing Director of the ~~company~~Company (or successor title).

- 2.5. “COMPANY” means Illinois VENTURES, LLC.
- 2.6. “ENTITY” means any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative, association, foreign trust or foreign business organization.
- 2.7. “MANAGERS” means the Board of Managers of the Company or, in the singular, any such individual member of the Board of Managers of the Company.
- 2.8. “MEMBER” means The Board of Trustees of the University of Illinois, a body corporate and politic of the State of Illinois created by statute in 1867. As of the effective date of this Agreement the organizing statute is codified at 110 Illinois Compiled Statutes 305 (the “University of Illinois Act”).
- 2.9. “PERSON” means any individual or entity, and the heirs, executors, administrators, legal representatives, successors, and assigns of such “Person” where the context so permits.
- 2.10. “VICE PRESIDENT” means Vice President for ~~Economic Development and Corporate Relations~~ Research (or successor title) of the University of Illinois unless otherwise specified.

### 3. CONTRIBUTIONS, DISTRIBUTIONS AND ALLOCATIONS

- 3.1. INITIAL CONTRIBUTION. On the ~~Effective Date~~ effective date of the Prior Operating Agreement, the Member ~~shall contribute~~ contributed the assets set forth in Exhibit A hereto as its Initial Capital Contribution.
- 3.2. ADDITIONAL CAPITAL CONTRIBUTIONS. If the Managers determine that the Company requires funds for any purpose related to the business of the Company, the Managers may recommend to the Member that the Member approve additional contributions for the Member and, if approved by the Member, the Member shall contribute such funds to the capital of the Company; provided, however, that the Member shall not be required to make additional contributions to the Company without the consent of the Member or if such contribution would be outside of the permissible scope of the University Guidelines.
- 3.3. DISTRIBUTIONS. The Company shall make distributions to the Member at such time as determined by the Member, but subject to the limitations set forth in the Act.
- 3.4. ALLOCATIONS. The profits and losses of the Company for each fiscal year shall be allocated 100 percent to the Member.

### 4. RIGHTS AND OBLIGATIONS OF THE MEMBER

- 4.1. SOLE MEMBER. The sole member of this Company shall be The Board of Trustees of the University of Illinois.

- 4.2. LIMITATION OF LIABILITY. The Member's liability with respect to the Company shall be limited to the fullest extent as provided in the Act, this Agreement and any applicable law.
- 4.3. COMPANY DEBT LIABILITY. The Member shall not be personally liable for any debts, obligations or losses of the Company beyond its capital contributions to the Company and its pro rata portion of the Company's undistributed profits.
- 4.4. INDEMNIFICATION. The Company shall, to the fullest extent permitted by law, indemnify and hold harmless the Member and the Managers from and against any and all claims and demands whatsoever in connection with the business of the Company. The Company shall advance indemnification payments, including legal fees and costs, that reasonably appear to be due hereunder upon the request of any party subject to indemnity hereunder and the execution by such party of a written agreement to return such payments in the event that the indemnification is ultimately determined not to be due such party hereunder.
- 4.5. CONDUCTING BUSINESS WITH COMPANY. The Member may lend money to, borrow money from, act as a surety, guarantor or endorser for, guarantee or assume specific obligations of, provide collateral for or transact other business with the Company, including entering into any contract with the Company.
- 4.6. POWERS RESERVED TO THE MEMBER. The Member shall participate in the management and control of the Company's business with respect to the following matters, which powers shall be exclusive to the Member:
- 4.6.1. ~~Upon recommendation of the Board of Managers, approval~~Approval of amendments to the Articles of Organization and Operating Agreement other than amendments to Article 5 hereof which shall require the recommendation of the Board of Managers;
- 4.6.2. Appointment and removal of Managers subject to the provisions of Article 5;
- 4.6.3. ~~Upon recommendation of the Board of Managers, approval~~Approval of the admission of additional Members;
- 4.6.4. ~~Upon recommendation of the Board of Managers, approval~~Approval of the merger or consolidation of the Company with any Entity, the creation of any joint venture and the acquisition of any majority-controlled or majority-owned subsidiaries or affiliates;
- 4.6.5. Approval of any voluntary dissolution of the Company and any liquidation or distribution of Company assets;
- 4.6.6. Approval of the sale or securitization of all or substantially all the ~~capital~~ assets of the Company;

- 4.6.7. Approval of capital calls;
- 4.6.8. Approval of the Company's incurring of long term debt;
- 4.6.9. Approval of the appointment of independent certified public accountants for the Company; and

**4.6.10. Approval of any transactions outside the ordinary course of the Company's business or any transaction in which a Manager has an interest.**

In addition, the University Counsel of the Member shall be delegated the reserved power of approving the appointment of legal counsel for the Company.

## 5. RIGHTS AND DUTIES OF MANAGERS

- 5.1. **MANAGEMENT.** Except where the approval of the Member is expressly required by this Agreement or by nonwaivable provisions of the Act, the Managers shall have full and complete authority, power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the management of the Company's business.

The ~~company shall execute an agreement~~**Company has entered into a Services and Management Agreement** with the Member which ~~will indicate~~**sets forth** the service, management and fiscal obligations of the parties, **and which may be amended from time to time.** The Vice President will serve as principal officer for the Member and will be responsible for the oversight and performance of the obligations of the Member as specified in the Services and Management Agreement.

- 5.2. **COMPOSITION OF THE BOARD OF MANAGERS.** ~~The Board of Managers shall consist initially of those individuals named in the Company's Articles of Organization who shall serve until such time as the Member appoints the Board of Managers. At that time, the Board of Managers shall consist of nine (9) individuals. The nine (9) individuals shall include:~~ **of the Company shall consist of such number of individuals and with such qualifications, and may include voting and non-voting Managers, as may be determined from time to time by resolution adopted by the Board of Trustees of the University of Illinois, as sole Member of the Company; provided that a majority of the voting Managers shall be business and industry leaders and shall not include any employee of (or person financially dependent upon) the University of Illinois, the State of Illinois, or any agency thereof, or any member of the immediate family of any such person. Subject to the immediate preceding sentence, Managers shall be appointed, and may be removed at any time, by resolution adopted by the Board of Trustees of the University of Illinois.**

- ~~Two members of the Board of Trustees of the University of Illinois, appointed in the same manner as appointments to Board of Trustees committees;~~
- ~~The Vice Chancellor for Research of the University Illinois at Urbana-Champaign;~~
- ~~The Vice Chancellor for Research of the University Illinois at Chicago;~~
- ~~External Members who shall be business and industry leaders:  
One member recommended by the Governor;  
One representative of the President of the University; and  
Three (3) additional business and industry leaders.~~

5.3. CERTAIN POWERS OF MANAGERS. Without limiting the generality of Section ~~5.1,5.1~~ **but subject to the powers reserved to the Member pursuant to Section 4.6,** the Managers shall have power and authority, on behalf of the Company:

- 5.3.1. To acquire property from any Person as the Managers may determine, whether or not such Person is directly or indirectly affiliated or connected with any Manager or Member;
- 5.3.2. To borrow money for the Company from banks, other lending institutions, the Managers, Member, or affiliates of the Managers or Member on such terms as the Managers deem appropriate, and in connection therewith, to hypothecate, encumber and grant security interests in the assets of the Company to secure repayment of the borrowed sums. No debt shall be contracted or liability incurred by or on behalf of the Company except by the Managers, or to the extent permitted under the Act, by agents or employees of the Company expressly authorized by the Managers to contract such debt or incur such liability by the Managers;
- 5.3.3. To purchase liability and other insurance to protect the Company's property and business;
- 5.3.4. To hold and own Company real and personal properties in the name of the Company;
- 5.3.5. To invest Company funds in accordance with the Plan of Financial Operations to be approved by the Board of Managers;
- 5.3.6. Upon the approval of the Member as set forth in Section 4.6, to sell or otherwise dispose of all or substantially all of the ~~capital~~ assets of the Company as part of a single transaction or plan as long as such disposition is not in violation of or a cause of a default under any other agreement to which the Company may be bound;

- 5.3.7. To ~~execute~~authorize the execution on behalf of the Company of all instruments and documents, including, without limitation, checks; drafts; notes and other negotiable instruments; mortgages or deeds of trust; security agreements; financing statements; documents providing for the acquisition, mortgage or disposition of the Company's property; assignments, bills of sale; leases; and any other instruments or documents necessary to the business of the Company;
- 5.3.8. To engage accountants, legal counsel, managing agents or other experts to perform services for the Company subject to the reserved powers of the Member as set forth in Section 4.6;
- 5.3.9. To enter into any and all other agreements on behalf of the Company, in such forms as the Managers may approve;
- 5.3.10. To approve and establish a strategic plan for the Company;
- 5.3.11. To form a limited liability company for the purpose of forming and operating a seed and venture capital fund;
- 5.3.12. To select companies to receive services/support from the Company in accordance with criteria and review processes to be approved by the Managers; and
- 5.3.13. To do and perform all other acts as may be necessary or appropriate to the conduct of the Company's business in the ordinary course to the extent not reserved to the Member in Section 4.6.

**All contracts, leases and agreements to which the Company is a party and all documents and instruments made on behalf of and creating any obligation or liability on the part of the Company (including, without limitation, checks and drafts on Company accounts) shall be signed: (i) to the extent within the day-to-day affairs of the Company under the management of the CEO/Managing Director and not inconsistent with Board direction, by the Treasurer and either the Chair or the CEO/Managing Director (without the need for further authorization by the Board of Managers); or (ii) pursuant to authorization by the Board of Managers. Unless authorized by the Board of Managers, no individual Manager or Officer shall have the authority to execute any such contracts, leases, agreements, documents or instruments.** Unless authorized to do so by this Agreement or by the Managers, no attorney-in-fact, employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable for any purpose. No Member shall have any power or authority to bind the Company unless the Member has been authorized to do so by this Agreement or by the Managers to act as an agent of the Company in accordance with the previous sentence.

#### 5.4. LIABILITY FOR CERTAIN ACTS.

- 5.4.1. Each Manager shall perform his duties as Manager in good faith, in a manner reasonably believed to be in the best interests of the Company,

and with such care as an ordinarily prudent person in a like position would use under similar circumstances.

5.4.2. A Manager shall not be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member, unless the loss or damage shall have been the result of fraud, deceit, gross negligence, willful misconduct or a wrongful taking by the Manager.

5.4.3. The Company shall, to the maximum extent permitted under law, indemnify and make advances for expenses to Managers, its employees, and other agents.

5.5. MANAGERS HAVE NO EXCLUSIVE DUTY TO COMPANY. A Manager shall not be required to manage the Company as his or her sole and exclusive function and he or she may have other business interests and engage in activities in addition to those relating to the Company. Neither the Company nor any Member shall have any right, by virtue of this Operating Agreement, to share or participate in such other investments or activities of the Manager or to the income or proceeds derived therefrom.

5.6. BANK ACCOUNT. The Managers may from time to time open bank accounts in the name of the Company.

5.7. TERM. ~~The duration of each external Manager's term shall be determined upon appointment. Thereafter, external Managers shall have three (3) year terms. Each external~~ Each Manager shall serve ~~for his or her term and~~ until a successor is appointed, or until such individual resigns, or is removed as a Manager ~~or until the Company dissolves, whichever occurs first.~~

5.8. RESIGNATION. Any Manager of the Company may resign at any time by giving written notice to the Member of the Company. The resignation of any Manager shall take effect upon receipt of notice thereof or at such later date as is specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

5.9. REMOVAL. All or any lesser number of Managers may be removed at any time, with or without cause, by the Member.

5.10. VACANCIES. Any vacancy occurring for any reason in the number of Managers of the Company ~~will~~ may be filled by the Member. A Manager appointed to fill a vacancy shall ~~be appointed for the unexpired term of his/her predecessor in office and shall hold office until the expiration of such term and until his/her successor shall be~~ serve until a successor is appointed, or until ~~his/her earlier death, resignation or removal~~ such individual resigns or is removed as a Manager.

5.11. MANAGERS' MEETING. The Managers shall meet at such times as may be designated by the Managers, but not less than quarterly. The Managers

may participate in a meeting of the Managers by teleconference, videoconference or similar means of communication if all persons participating in the meeting can hear each other simultaneously. Participation by such means shall constitute presence in person at a meeting. A quorum for conducting business shall consist of a majority of the voting Managers then holding office; and the affirmative vote of a majority of the voting Managers then holding office shall be required for any action by the Board of Managers. Voting by proxy shall not be permitted.

5.12. ~~5.11. MANAGERS' MEETING. The Managers shall meet at such times as may be designated by the Managers, but not less than quarterly. ACTION IN WRITING. Any action which the Managers are required or permitted to take may be taken without a meeting, if a proposed resolution in writing authorizing such action is sent to all Managers and a majority of the voting Managers then holding office consent in writing to the adoption of a resolution authorizing the action or subsequently confirm the action by such~~ resolution. Such consents shall have the same force and effect as a ~~unanimous~~ vote at a meeting duly held and may be stated as such in any certificate or document. A consent may be executed in one or more counterparts, all of which together shall constitute the ~~unanimous~~ consent of the Managers. ~~The Managers may participate in a meeting of the Managers by means of a conference telephone or similar communications equipment if all persons participating in the meeting can hear each other simultaneously. Participation by such means shall constitute presence in person at a meeting. At any time the quorum for conducting business shall consist of a majority of the then-appointed Managers.~~

5.13. ~~5.12. MANAGERS TO MAINTAIN ORGANIZATIONAL PROTOCOLS.~~ While performing duties on behalf of the Company, each Manager shall follow certain protocols which shall include the items listed below:

5.13.1. ~~5.12.1.~~ A Manager shall not commingle personal funds with funds of the Company. Funds transferred between a Manager and the Company must be properly documented and accounted for;

5.13.2. ~~5.12.2.~~ A Manager shall not commingle personal assets (or the assets of any other Entity or person) with assets of the Company;

5.13.3. ~~5.12.3.~~ When executing a document on behalf of the Company, as authorized pursuant to Section 5.3, a Manager shall assure that the document is being executed on behalf of the Company, and indicate his/her title and the capacity in which the documents is being executed;

5.13.4. ~~5.12.4.~~ The Managers shall maintain an Organizational Book reflecting the governance and formal actions taken with respect to the operation of the Company;

~~5.13.5. 5.12.5.~~ Managers shall apprise third parties with whom the Company transacts business that they are dealing with a limited liability company, which is separate from each of the Managers in his/her individual capacity;

~~5.13.6. 5.12.6.~~ The Managers shall assure that the Company maintains its good standing as a limited liability company with the Secretary of State of Illinois by paying all necessary franchise fees and taxes;

~~5.13.7. 5.12.7.~~ The Managers shall apply for all necessary licenses on behalf of the Company to conduct business;

~~5.13.8. 5.12.8.~~ The Managers shall obtain a telephone number and open a bank or checking account in the Company's name; and

~~5.13.9. 5.12.9.~~ The Managers ~~shall~~may maintain a business address separate from the addresses ~~listed~~referenced in Article 1 herein.

~~5.14. 5.13.~~ BOOKS. The Managers shall maintain complete and accurate books of account of the Company's affairs. ~~The Company's accounting period shall be determined by the Managers.~~

~~5.15. 5.14.~~ COMPENSATION/REIMBURSEMENT. The Managers may not receive compensation for their services, however, the Company shall reimburse the Managers for all direct out-of-pocket expenses incurred by them in managing the Company.

## 6. OFFICERS

6.1. OFFICERS. The officers of the Company shall consist of a Chair, Vice-Chair, Secretary and Treasurer, and the CEO/Managing Director. The Managers may elect such other officers as it may, from time-to-time, deem desirable, including, but not without limiting the generality thereof, an Assistant Secretary. In the event of any such offices being created, and officers being elected thereto, they shall have such duties and responsibilities as the Managers may, from time-to-time, prescribe or as are normally attendant upon such offices.

6.2. CEO/MANAGING DIRECTOR. The day-to-day management of the affairs of the Company shall be vested in a CEO/Managing Director, who shall be selected by the Board of Managers. The CEO/Managing Director shall be under the guidance of the Board of Managers and shall carry out all its actions, including performance of the Company's obligations under contracts. The CEO/Managing Director shall manage all the affairs and operations of the Company not specifically assigned to other officers; shall be in charge of the work of all persons employed or contracted by the Company; and shall submit recommendations to the Board of Managers for programs and activities of the ~~company~~Company.

- 6.3. VACANCIES. Vacancies in any office during an officer's term may be filled by the original appointing authority. The person selected shall serve the unexpired term of the vacancy.
- 6.4. TERM OF OFFICE. ~~The officers of the Company shall hold office for terms of one year.~~ Unless otherwise determined by the Managers, the officers of the Company shall ~~continue to~~ hold office ~~following the expiration of their term until the next meeting of the Managers and~~ until their successors are elected or appointed. Any officer may be removed at any time, with or without cause, by the Managers.
- 6.5. THE CHAIR. The Chair shall be elected by the Board of Managers. The Chair shall preside at all meetings of the Managers and shall perform all such other duties as are properly required by the Managers.
- 6.6. THE VICE-CHAIR. The Vice-Chair shall be elected by the Managers. The Vice-Chair shall, in the absence of or at the request of the Chair, perform duties and exercise the powers of the Chair. The Vice-Chair also shall have such powers and perform such duties as usually pertain to his/her office or as are properly required by the Managers.
- 6.7. THE SECRETARY. The University Counsel of the University of Illinois or his/her designee shall serve as the Secretary. The duties of the Secretary shall be as follows:
- 6.7.1. Issuing notice of all meetings of the Managers where notices of such meetings are required by law or this Agreement;
- 6.7.2. Attending all meetings of the Managers and keeping the minutes thereof;
- 6.7.3. Performing such other duties as usually pertain to the office of the Secretary or as are properly required by the Managers.
- 6.8. THE TREASURER. The Comptroller of the University of Illinois or his/her designee shall serve as the Treasurer. The duties of the Treasurer shall be as follows:
- 6.8.1. Being responsible for the care and custody of all moneys and securities of the Company;
- 6.8.2. Being responsible for keeping of full and accurate accounts of all moneys received by the Company and paid by the Company;
- 6.8.3. Making and signing such reports, statements and instruments as may be required of the Treasurer by the Managers or by the laws of the United States or of the State of Illinois; and
- 6.8.4. Performing such other duties as usually pertain to the office of Treasurer or as are properly required by the Managers.

Actual custody and maintenance of the Company's records shall be entrusted to competent employees who shall make available all financial reports and other relevant data on day-to-day operations.

- 6.9. OFFICERS HOLDING TWO OR MORE OFFICES. No officer shall execute or verify any instrument in more than one capacity if such instrument is required by law or otherwise to be executed or verified by two (2) or more officers.
- 6.10. DUTIES OF OFFICERS MAY BE TEMPORARILY DELEGATED. In case of the absence of any officer, or for any other reason that the Managers may deem sufficient, the Managers may delegate, for the time being, the powers or duties of any officer to any other officer, or to any Manager.
- 6.11. COMPENSATION. The officers, other than the CEO/Managing Director, shall not receive compensation; however, they shall be reimbursed for any reasonable expenses which they may incur on behalf of the Company in the conduct of its affairs. The CEO/Managing Director may receive such compensation as may be determined by the Board of Managers.

## 7. COMMITTEES OF THE BOARD OF MANAGERS

- 7.1. COMMITTEES GENERALLY. Committees of the Board of Managers shall be standing or special. The standing committees shall be the Executive Committee and such other standing committees as the Board of Managers may authorize ~~by amendment~~ with the written consent of this Agreement the Member. Special committees may be created or terminated at any time by resolution of the Board of Managers. Every committee shall consist of at least two or more Managers and shall always have a majority of Managers among its members. All committee chairs and committee members shall be appointed by the Chair unless otherwise specified in this Agreement.
- 7.2. EXECUTIVE COMMITTEE. The Executive Committee shall consist of the Chair, the Vice-Chair, and one (1) other Manager elected by the Board of Managers. Each of the Executive Committee members shall have voting rights on the Committee. The Executive Committee shall have the authority to exercise the powers of the Board of Managers, as delegated by the Board of Managers from time to time and, in addition, shall exercise the authority of the Board of Managers at such times that action is necessary and it is impractical to convene a meeting of the Board of Managers or to seek written consent of the Board of Managers.
- 7.3. SPECIAL COMMITTEES. Special committees may be appointed by the Chair with the concurrence of the Board of Managers, for such special tasks as circumstances may warrant from time to time. Special committees shall limit their activities to the accomplishment of the tasks for which they are appointed and shall have no power to act except as specifically conferred by action of the Board of Managers. Upon completion of the tasks for which created, each special committee shall stand discharged.

7.4. COMMITTEE PROCEDURES GENERALLY. Each committee shall record minutes (in whatever manner it selects) of its deliberations, recommendations and conclusions and shall promptly deliver a copy of such minutes to the secretary of the corporation. Reasonable notice of the meetings of any committee shall be given to the members thereof and to the Chair, each of whom shall have the right to attend and participate in the deliberations of the committee. The Chair or the committee chair may invite to any committee meeting such individuals as they may select who may be helpful to the deliberations of the committee. A majority of the members of each committee shall constitute a quorum for the transaction of business, and the act of a majority of the members of any committee present at a meeting at which a quorum is present shall be the action of the committee. Each committee may operate through the establishment of one or more subcommittees to be composed of such members of the committee and to have such duties and responsibilities as shall be delegated to the subcommittee by the committee. Each committee may adopt rules for its own operations and that of its subcommittees not inconsistent with this Agreement or the policies of the Board of Managers.

## 8. CONFLICTS OF INTEREST

8.1. STATEMENT OF GENERAL POLICY. Real and apparent conflicts or dualities of interest sometimes occur in the course of conducting the daily affairs of the Company. A conflict or duality of interest is defined as referring to only personal, proprietary interests of the persons covered by this policy and their immediate families and not to philosophical or professional differences of opinion. Such conflicts or dualities of interest shall occur because the persons associated with the Company should be expected to have, and do in fact generally have, multiple interests and affiliations and various positions of responsibility within the community. Conflicts or dualities of interest shall be avoided because they potentially or apparently place the interests of others ahead of the Company's obligations to its corporate purposes and to the public interest. Conflicts or dualities of interest are likewise undesirable because they often reflect adversely upon the persons involved and upon the institutions with which they are affiliated regardless of the actual facts or motivations of the parties. However, it is decidedly not in the long-range best interests of the Company to terminate or cease all association with persons who may have real or apparent conflicts or dualities of interest if there is a prescribed and effective method of rendering such conflicts harmless to all concerned. The affirmative policy of the Company, therefore, shall be not to preclude all dealings with those having actual or apparent conflicts or dualities of interest but to require that they be disclosed promptly and fully to all necessary parties whenever they occur, and to prohibit, as required, specified involvement by such parties in certain dealings of the Company. The Board of Managers will adopt a specific conflict of interest policy, based on this statement of general policy.

## 9. DISSOLUTION; LIQUIDATION

- 9.1. LIQUIDATION. Upon the occurrence of an event terminating the Company, the Member shall appoint a person to act as liquidator to wind up the affairs and business of the Company (which may be the Member). The Company's creditors shall be paid in satisfaction of the liabilities of the Company and its assets shall be distributed as soon as is practicable. The liquidator shall sell the Company's assets, except to the extent that the Company distributes assets in kind; allocate any ~~Profits~~profits or ~~Losses~~losses from sales to the Member in accordance with Article 3; and distribute the Company's assets to the Member.

## 10. MISCELLANEOUS

- 10.1. NOTICE. All notices shall be in writing, effective upon personal delivery or, if sent by first class mail postage prepaid addressed to the last known address in the Company's records of the person to whom the notice is sent, upon deposit of the notice in the U.S. mails.
- 10.2. FISCAL YEAR. The Fiscal Year of the Company shall begin on July 1 and end on June 30.
- 10.3. CHOICE OF LAW. This Agreement and its interpretation shall be governed exclusively by its terms and by the laws of the State of Illinois, and specifically the Act.
- 10.4. SEVERABILITY. If any provision hereof or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent or for any reason, the remainder of this Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law. Each covenant, term, provision and agreement herein shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Agreement, their respective heirs, legal representatives, successors and assigns. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.
- 10.5. CONSTRUCTION PRINCIPLES. The headings herein are inserted for convenience only and do not describe, interpret, define, or limit the scope, extent or intent of this Agreement or any provision hereof. The failure of any party to seek redress for default of or insist upon the strict performance of any covenant or condition hereof shall not prevent a subsequent act, which would have originally constituted a default, from having the effect of an original default.
- 10.6. THIRD PARTIES. This Agreement is by and among the parties hereto and is not intended to, nor shall it be interpreted to, create any right in any creditor of the Company or in any other third party.
- 10.7. AMENDMENTS. Subject to Section 4.6.1, this Agreement may be amended at any time by the Member.

**[Signature page follows]**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective officers.

IllinoisVENTURES, LLC

THE BOARD OF TRUSTEES OF  
THE UNIVERSITY OF ILLINOIS

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Chair

---

Comptroller

---

CEO/Managing Director

---

Secretary

Approved as to legal form:

---

Treasurer

---

Legal Counsel

EXHIBIT A

LIMITED LIABILITY COMPANY AGREEMENT  
FOR  
Illinois VENTURES, LLC

CAPITAL CONTRIBUTIONS

<u>NAME</u>	<u>CAPITAL CONTRIBUTIONS</u>
The Board of Trustees of the University of Illinois	<del>\$xx,xxx</del> <u>50,000.00</u>