

Board Meeting
September 7, 2006

APPOINT MEMBERS TO THE BOARD OF ILLINOIS VENTURES, LLC, VICE
PRESIDENT FOR TECHNOLOGY AND ECONOMIC DEVELOPMENT

Action: Amend Operating Agreement of Illinois VENTURES, LLC, and Appoint Members to the Board of Illinois VENTURES, LLC, Vice President for Technology and Economic Development

Funding: No Funding Required

At the Board of Trustees meeting of April 13, 2000, the Board authorized formation of the Illinois VENTURES, LLC (LLC), a limited liability company which promotes the development of new companies commercializing University technologies through such activities as assisting companies in obtaining early-stage capital, recruiting management talent, developing business plans, and obtaining necessary business services, to help these companies succeed. The Operating Agreement (Bylaws) of the LLC specifies a nine-member Board of Managers, appointed by the Board of Trustees, consisting of two members of the Board of Trustees, the Vice Chancellors for Research at the Urbana-Champaign and Chicago campuses, three business and industry leaders, one representative of the President of the University, and one member recommended by the Governor.

The three current members of the Board of Managers, who are business and industry leaders, are completing their second three-year terms. These are James Foght, Vector Securities, Winnetka, Illinois; Warren Holtsberg, Vice President and Director,

Motorola Ventures, Schaumburg, Illinois; and Michael Tokarz, The Tokarz Group, Purchase, New York.

On September 11, 2003, the Board of Trustees recommended that the Board of Managers establish staggered terms for the business and industry leader members considering the three-year terms specified in Section 5.7 of the Operating Agreement and the need for continuity on the Board of Managers as terms expire. Upon the determination by the Board of Managers, the terms of the business and industry leader members of the Board of Managers shall be reported to the Vice President for Technology and Economic Development, the University's principal officer to the LLC and to the Secretary of the LLC. It is recommended that the following be reappointed to the Board of Managers with the following terms: (1) James Foght be reappointed to a three-year term, expiring in September 2009; (2) Warren Holtsberg be reappointed to a one-year term, expiring in September 2007; and (3) Michael Tokarz be reappointed to a two-year term expiring in September 2008. Each of these appointments will return to three-year terms upon expiration.

The President of the University and the Vice President for Technology and Economic Development recommend the appointments of James Foght, Warren Holtsberg, and Michael Tokarz to the Board of Managers.