

**AMENDED AND RESTATED  
OPERATING AGREEMENT  
FOR  
UNIVERSITY OF ILLINOIS RESEARCH PARK, L.L.C.**

**~~January 18, 2018~~**

**May X, 2019**

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**AMENDED AND RESTATED  
OPERATING AGREEMENT  
FOR  
UNIVERSITY OF ILLINOIS RESEARCH PARK, L.L.C.**

THIS **AMENDED AND RESTATED** OPERATING AGREEMENT (the “**Agreement**”) is made and entered as of this ~~January 18, 2018~~XX day of XX, 2019 by and between The Board of Trustees of the University of Illinois (the “**Member**”) and University of Illinois Research Park, L.L.C.

**RECITALS**

A. University of Illinois Research Park, L.L.C. (the “**Company**”) filed Articles of Organization for the Company with the Secretary of State of Illinois on March 15, 2000.

B. The Board of Trustees of the University of Illinois is authorized, pursuant to the University of Illinois Act as mentioned below or as later amended, to:

acquire by purchase or lease or otherwise, and construct, enlarge, improve, equip, complete, operate, control and manage medical research and high technology parks, together with the necessary lands, buildings, facilities, equipment and personal property therefor, to encourage and facilitate (a) the location and development of business and industry in the State of Illinois, and (b) the increased application and development of technology and (c) the improvement and development of the State’s economy. The Board of Trustees may lease to nonprofit corporations all or any part of the land, buildings, facilities, equipment or other property included in a medical research and high technology park upon such terms and conditions as the University of Illinois may deem advisable and enter into any contract or agreement with such nonprofit corporations as may be necessary or suitable for the construction, financing, operation and maintenance and management of any such park; and may lease to any person, firm, partnership or corporation, either public or private, any part or all of the land, building, facilities, equipment or other property of such park for such purposes and upon such rentals, terms and conditions as the University may deem advisable; and may finance all or part of the cost of any such park, including the purchase, lease, construction, reconstruction, improvement, remodeling, addition to, and extension and maintenance of all or part of such high technology park, and all equipment and furnishings, by legislative appropriations, government grants, contracts, private gifts, loans, receipts from the operation of such high technology park, rentals and similar receipts; and may make its other facilities and services

available to tenants or other occupants of any such park at rates which are reasonable and appropriate.

C. The Member and the Company previously entered into an Operating Agreement for the Company effective as of September 11, 2003 and subsequently amended (~~the~~ the agreement on March 23, 2011 and January 18, 2018 (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:

## **ARTICLE 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 “University of Illinois Research Park, L.L.C.”

1.4. **REGISTERED OFFICE AND AGENT.** The 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 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.

## **ARTICLE 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.~~ **“CHANCELLOR”** means the Chancellor of the University of Illinois at Urbana-Champaign.

~~2.4.2.5.~~ **“CODE”** means the Internal Revenue Code of 1986, as amended.

~~2.5.2.6.~~ **“COMPANY”** means University of Illinois Research Park, L.L.C.

~~2.6.2.7.~~ **“ENTITY”** means any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative, association, foreign trust or foreign business organization.

~~2.7.2.8.~~ **“INCOME”** means all income of the Company from any sources.

~~2.8.2.9.~~ **“LOSSES”** means for each fiscal year, the excess, if any, of Costs over Income.

~~2.9.2.10.~~ **“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.

~~2.10.2.11.~~ **“MEMBER”** means The Board of Trustees of the University of Illinois, a body corporate and politic of the State of Illinois established pursuant to 110 ILCS 305/1 et seq.

~~2.11.2.12.~~ **“PERSON”** means any individual or entity, and the heirs, executors, administrators, legal representatives, successors, and assigns of such “Person” where the context so permits.

~~2.13.~~ **“PRINCIPAL OFFICER”** means the Vice Chancellor for Research of the University of Illinois at Urbana-Champaign.

2.12.2.14. “**PROFIT**” means for each fiscal year, the excess, if any, of Income over Costs.

### **ARTICLE 3. CONTRIBUTIONS, DISTRIBUTIONS AND ALLOCATIONS**

3.1. **INITIAL CONTRIBUTION.** On the effective date of the Prior Operating Agreement, the Member 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.

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 Company for each fiscal year shall be allocated 100 percent to the Member.

### **ARTICLE 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, a body and corporate and politic of the State of Illinois established pursuant to 110 ILCS 305/1 et seq.

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. Approval of amendments to the Articles of Organization and Operating Agreement;

4.6.2. Appointment and removal of Managers subject to the provisions of Article 5;

4.6.3. Approval of the admission of additional Members;

4.6.4. 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 corporate assets;

4.6.6. Approval of the sale or securitization of all or substantially all the 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 (including, without limitation, the approval of any long-term development agreement) 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.

## **ARTICLE 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 has entered into a services and management agreement with the Member which sets forth the service, management and fiscal obligations of the parties and which may be amended from time to time.

5.2. **COMPOSITION OF THE BOARD OF MANAGERS.** The Board of Managers 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. Managers shall be appointed, and may be removed at any time, by resolution adopted by the Board of Trustees of the University of Illinois. The Board of Managers shall consist of at least nine (9) individuals as voting Managers, who shall serve for the terms specified in Section 5.7. The nine individuals will be recommended by the Principal Officer to the Chancellor for submission to the Board of Trustees for approval. The Board of Managers shall, to the extent reasonably feasible, include:

- (1) One member of the Board of Trustees of the University of Illinois;
- (2) The Vice-Chancellor for Research of the University of Illinois at Urbana-Champaign;
- (3) A representative of the University of Illinois System administration recommended by the President of the University;
- (4) At least two representatives of the faculty of the University of Illinois at Urbana-Champaign; and
- (5) At least four business leaders with expertise in entrepreneurship, real estate development, and/or corporate innovation strategy.

The Comptroller of the University and/or his or her designee and a senior administrator for the University of Illinois at Urbana-Champaign who leads capital planning shall serve as non-voting Managers. Additional non-voting Managers shall be considered if determined beneficial to the Company by the Member for needed representation or contemplation of expanded responsibilities. A representative of the University Counsel shall attend meetings and provide legal advice and counsel in accordance with the terms of the Services and Management Agreement described herein.

5.2.1. Managers need not be Members; or officers, directors or employees of the Member.

5.3. **CERTAIN POWERS OF MANAGERS.** Without limiting the generality of Section 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 time deposits, short-term governmental obligations, commercial paper or other investments;

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 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 authorize the execution on behalf of the Company 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 a Services and Management Agreement with the Member and perform the obligations of the Company under that Agreement;

5.3.10. To enter into any and all other agreements on behalf of the Company, in such forms as the Managers may approve;

5.3.11. To approve and establish a strategic plan for the Company; and

5.3.12. 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) by the Treasurer and either the Chair or the Director or (ii) or pursuant to authorization by the Board of

Managers; and 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 by the Board of 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.

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.** Each Manager appointed as a designated representative of the faculty of the University of Illinois at Urbana-Champaign (Section 5.2 (4)) and the business leaders (Section 5.2 (5)) shall serve ~~until a successor is appointed~~ an appointed term, with staggered appointments of three years to provide a gradual transition of leadership, or until such individual resigns or is removed as a Manager. Managers may not serve more than two consecutive full terms. A Manager who has served two consecutive full terms may be re-appointed after a period of one-year absence from the Board.

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 may be filled by the Member. A Manager appointed to fill a vacancy shall serve until a successor is appointed, or until such individual resigns or is removed as a Manager. A Manager's service pursuant to this Section shall not be included when determining if a Manager has reached the term limit set forth in Section 5.7.

5.11. **MANAGERS' MEETING.** The Managers shall meet at such times as may be designated by the Managers, but not less than semi-annually. 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 in accordance with applicable policy.~~ 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. **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 such resolution. Such consents shall have the same force and effect as a 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 consent of the Managers.

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

5.13.3. When executing a document on behalf of the Company, a Manager shall assure that the document is being executed on behalf of the Company, and indicate his title and the capacity in which the documents is being executed;

5.13.4. 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. 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 or her individual capacity;

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

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

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

5.14. **BOOKS**. The Managers shall maintain complete and accurate books of account of the Company's affairs.

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

## **ARTICLE 6. OFFICERS**

6.1. **OFFICERS**. The officers of the Company shall consist of a Chair, Vice-Chair, Secretary and Treasurer. 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. **DIRECTOR**. The day-to-day management of the affairs of the Company will be vested in a Director. The Director shall be under the guidance of the Board of Managers in consultation with the Principal Officer and shall carry out all its actions. The Director will manage all the affairs and operations of the Company not specifically assigned to other officers; will be in charge of the work of any persons employed or contracted with by the Company; and upon consultation with the Principal Officer will submit recommendations to the Board of Managers for programs and activities. Unless otherwise determined by resolution adopted by the Board of Trustees of the University of Illinois, the Director shall dually report to the Chair of the Board of the Managers and the Vice PresidentChancellor for Research of the University of Illinois (or suchat Urbana-Champaign, as Principal Officer. In consultation with the Chair of the Board of Managers, the Vice President's designee) shall serve as Director.Chancellor for Research will be responsible for the annual performance review of the Director.

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**. Unless otherwise determined by the Managers, the officers of the Company shall hold office 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 Managers; and, to the extent reasonably feasible, would have served previously as an Officer of 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 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 or her office or as are properly required by the Managers.

6.7. **THE SECRETARY.** The Secretary shall be elected by the Board of Managers. The duties of the Secretary shall be as follows:

- (a) Ensuring that notices of all meetings of the Board of Managers are issued where notices of such meetings are required by law or this Operating Agreement;
- (b) Attending all meetings of the Board of Managers and ensuring that the minutes of such meetings are taken and maintained; and
- (c) Performing such other duties as usually pertain to the office of the Secretary or as are properly required by the Board of 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:

- (a) Being responsible for the care and custody of all moneys and securities of the Company;
- (b) Being responsible for keeping of full and accurate accounts of all moneys received by the Company and paid by the Company;
- (c) Making and signing such reports, statements and instruments as may be required of the Treasurer by the ManagersBoard or by the laws of the United States or of the State of Illinois;
- (d) Taking all actions appropriate and necessary to implement the Company's Plan for Financial Operations as approved by the Board of Managers; and
- (e) Performing such other duties as usually pertain to the office of Treasurer or as are properly required by theManagersthe Board.

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 Board of Managers may deem sufficient, the Board of 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 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.

## **ARTICLE 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 with the written consent of 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 Operating 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 these operating agreement or the policies of the Board of Managers.

## **ARTICLE 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.

8.2. **ACTION REQUIRED.** No transactions involving remuneration or benefit to a covered person (as defined in Section 8.3 herein), or to an organization in which a covered person has a material financial interest or of which the covered person is a member, officer, director, general partner, principal or controlling stockholder, shall be entered into by the Company without (a) a full written disclosure to the Board of Managers by the covered person of the material facts of the transaction and the covered person's interest or relationship; (b) the authorization, approval or ratification of the Board of Managers; and (c) a determination by a majority of disinterested Managers (even though the disinterested Managers may be less than a quorum) that the transaction is fair to the Company at the time it is authorized, approved or ratified. No director so involved may vote on such authorization, approval or ratification by the Board of Managers. Full disclosure, followed by Board of Managers approval, shall constitute a finding of fairness in the absence of clear intention to the contrary.

8.3. **COVERAGE OF THIS POLICY.** This policy shall apply to all members of the Board of Managers and its committees, and to the officers, agents and employees of the Company, including independent contractor providers of services and materials who are in the position materially to influence one or more financial transaction(s) of the Company (collectively referred



to as “covered person” or “covered persons”). The Company’s management shall publicize this policy to all such covered persons on a recurring basis.

8.4. **DISCLOSURE OF ALL CONFLICTS.** The covered persons defined in Section 8.3 of this Operating Agreement shall disclose to the chairman or president all real and apparent conflicts of interest and/or dualities of interest which they discover or have brought to their attention in connection with the Company’s activities. “Disclosure” as used in this Operating Agreement shall mean promptly providing to the Chair a written description of the facts comprising the real or apparent conflict or duality of interest. The Chair shall report all such disclosures to the full board. An annual disclosure statement shall be circulated to all covered persons to assist them in considering such disclosures, but disclosure is appropriate whenever conflicts or dualities of interest may occur. The written notices of disclosure of conflicts or dualities of interest shall be filed with the Chair of the Company or any other person(s) designated by them from time to time to receive such notifications. All notices of conflicts or dualities of interest received hereunder shall be noted for record in the minutes of the Board of Managers.

8.5. **PROSCRIBED ACTIVITY BY PERSONS HAVING CONFLICTS.** When a covered person believes that he or she or a member of his or her immediate family might have or does have a real or apparent conflict or duality of interest, he or she should, in addition to filing the notice of disclosure required under Section 8.2, abstain from making motions, voting, executing agreements, or taking any other similar direct action on behalf of the Company where the conflict or duality of interest might pertain, but shall not be precluded from debate or other similar involvement on behalf of the Company.

8.6. **REVIEW.** An ad hoc committee of disinterested Managers shall review all disclosures which might be interpreted as a conflict or duality of interest and shall recommend to the Board of Managers a course of action regarding such matters.

## **ARTICLE 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 or Losses from sales to the Member in accordance with Article 3; and distribute the Company’s assets to the Member.

## **ARTICLE 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 shall be determined by the Managers.

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.** This Agreement may be amended at any time by the Member.

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

**UNIVERSITY OF ILLINOIS  
RESEARCH PARK, L.L.C.**

**THE BOARD OF TRUSTEES OF  
THE UNIVERSITY OF ILLINOIS**

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Comptroller

Acknowledged by:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Director

Approved by:

\_\_\_\_\_  
Chancellor

\_\_\_\_\_  
Treasurer

Approved as to legal form:

\_\_\_\_\_  
LegalUniversity Counsel

**EXHIBIT A**

**LIMITED LIABILITY COMPANY AGREEMENT  
FOR  
UNIVERSITY OF ILLINOIS RESEARCH PARK, L.L.C.**

**CAPITAL CONTRIBUTIONS**

<b><u>NAME</u></b>	<b><u>CAPITAL CONTRIBUTIONS</u></b>
<b>The Board of Trustees of the University of Illinois</b>	<b>\$25,000</b>