

MEETING OF THE BOARD OF TRUSTEES

AS THE SOLE MEMBER OF

SHIELD T3, LLC

January 26, 2023

This meeting of the Board of Trustees of the University of Illinois as the sole member of Shield T3, LLC was in the Isadore and Sadie Dorin Forum, Rooms D, E, and F, 725 West Roosevelt Road, Chicago, Illinois, on Thursday, January 26, 2023, beginning at 8:19 a.m.

Chair Donald J. Edwards called the meeting to order and asked the secretary to call the roll. The following members of the Board were present: Mr. Ramón Cepeda, Ms. Tami Craig Schilling,¹ Mr. Donald J. Edwards, Mr. Joseph Gutman, Ms. Patricia Brown Holmes, Ms. Sarah C. Phalen. Governor J. B. Pritzker was absent. Mr. Rafael Camacho Jr., voting student trustee, Urbana, was present. The following nonvoting student trustees were in attendance: Mr. Will Formea, student trustee, Springfield;² and Mr. Mohammed A. Haq, student trustee, Chicago. President Timothy L. Killeen was present.

Also present were the officers of the Board: Mr. Lester H. McKeever Jr.,² treasurer; Dr. Paul N. Ellinger, comptroller (and vice president/chief financial officer); Mr. Thomas R. Bearrows, University counsel; Mr. Gregory J. Knott, secretary of the

¹ Ms. Craig Schilling and Mr. Formea attended via remote videoconference.

² Mr. McKeever attended via remote videoconference.

Board of Trustees and of the University, and Dr. Jeffrey A. Stein, secretary-designate of the Board of Trustees and of the University.

Mr. Edwards introduced the two items on the agenda to be considered. He said the first item is to approve the minutes of the Board of Trustees as the sole member of Shield T3, LLC, from the meeting held September 23, 2021. He said the second item would reorganize the board of managers for Shield T3 in order to make a meaningful positive impact on health and safety through the distribution and commercialization of viral testing methodologies and other health-related technologies consistent with the organizational purpose of Shield T3 and activities approved by the Board. He asked President Killeen to comment.

President Killeen told the Board that Shield T3, LLC was created in August 2020 for the limited and express purpose of promoting the use of saliva-based COVID-19 testing by organizations outside the University of Illinois System and the State of Illinois, which he said was successful. He said the Board of Trustees as sole member of Shield T3 has since taken other actions to make appointments to the board of managers and define the Shield T3 authorized activities. He stated that efforts to grow and expand the scope of Shield T3 necessitates a reorganization and dissolution of the current board. He listed the positions, terms, and members to be appointed to the new board of managers. Mr. Edwards said that he is proud that Shield T3 was able to provide COVID-19 tests to other universities. He also noted that it commercialized its tests and generated revenue in a short period of time. He recognized William C. Jackson, executive director, Discovery Partners Institute, for his work with Shield T3.

Mr. Edwards then asked the secretary to read the titles of the items on the agenda to be considered. By consensus, the Board agreed that one voice vote would be taken.

(The record of the Board action appears at the end of each item.)

Approve Minutes of the Board of Trustees
as the Sole Member of Shield T3, LLC, Meeting

(1) The secretary presents for approval the minutes of the Board of Trustees as the sole member of Shield T3, LLC, meeting of September 23, 2021.

On motion of Ms. Holmes, seconded by Mr. Camacho, these minutes were approved.

Reorganize Shield T3, LLC Board of Managers and
Delegate Certain Actions to the Comptroller

(2) On August 10, 2020, the Executive Committee of the Board of Trustees approved the formation of Shield T3, LLC (“Shield T3”), a University-Related Organization (“URO”), for the limited and express purpose of promoting the use of saliva-based COVID-19 testing by organizations outside the University of Illinois System and the State of Illinois. The Board of Trustees as sole member of Shield T3 has since taken other actions to make appointments to the Board of Managers and define the authorized activities of Shield T3.

The Shield T3 Board of Managers currently consists of eleven voting members nominated (where appropriate) and duly appointed by the Board of Trustees as

follows: a voting member of the Board of Trustees; four external members not employed by the university; four members of the university community; the Vice President for Economic Development and Innovation, *ex officio*; and the Executive Director of Discovery Partners Institute, *ex officio*. Other non-voting members were designated by the Board of Managers to serve in an advisory capacity.

As the sole member of Shield T3, the Board of Trustees possesses various reserved powers related to Shield T3's governance, finances, and operations, including approving amendments to Shield T3's organizational scope and purpose and appointing voting members to the Shield T3 Board of Managers. Consistent with its authority as sole member and in accordance with its reserved powers, the Board of Trustees now wishes to reorganize the Board of Managers and establish a governance framework for the future. This reorganization will better enable the URO to extend, when and where appropriate, its ability to make a meaningful positive impact on health and safety through the distribution and commercialization of viral testing methodologies and other health-related technologies consistent with the organizational purpose of Shield T3 and activities approved by the Board of Trustees. Reorganization of the current URO and its Board of Managers will strategically position the URO to continue to promote health and safety of citizens and enhance the impact and visibility of the University of Illinois System.

In support of Shield T3's mission, the Board of Trustees, as the sole member, proposes to alter significantly the composition of the Board of Managers. As a result, the Board of Trustees hereby dissolves the current Board of Managers. In so doing, the Board of Trustees wishes to thank the managers for their service over the past

two-plus years. Through the expert guidance of the Board of Managers, Shield T3 protected the health and well-being of citizens and helped schools, universities, and businesses remain open throughout the pandemic. In addition, Shield T3 has also generated modest positive financial returns that have been used to support research and scholarship throughout the University of Illinois System. Most important, through its efforts, Shield T3 helped save lives.

The Board of Trustees now wishes to reorganize the Board of Managers of Shield T3 to consist of seven voting members nominated (where appropriate) and duly appointed by the Board of Trustees as follows: a voting member of the Board of Trustees; the University of Illinois System Vice President for Economic Development and Innovation, *ex officio*; an additional five individuals nominated by the president, at least three of whom will be external members not employed by the University. Other non-voting members of the Board of Managers may be designated by the Board of Managers to serve in an advisory capacity. Terms for each manager, except for the *ex officio* member and the Board of Trustees member, shall be limited to three years. Managers may serve two full consecutive terms and then may be reappointed after a one-year period.

The Board hereby appoints the following to serve on the Board of Managers, effective immediately:

- Joseph Gutman--University of Illinois Trustee
- Michael T. Tokarz--Presidential Nominee
- Dea Meyer--Presidential Nominee
- Steven Miller--Presidential Nominee

- Joseph “Jay” Walsh--Vice President for Economic Development and Innovation, University of Illinois System, *ex officio*
- Robert J. Jones--Chancellor, University of Illinois Urbana-Champaign, and Vice President, University of Illinois System--Presidential Nominee
- Carlos Crespo--Dean, College of Applied Health Sciences, University of Illinois Chicago--Presidential Nominee

Pursuant to the Shield T3 Operating Agreement, the Executive Director of the University of Illinois System Discovery Partners Institute shall serve as the Principal Officer to serve as a liaison to the Board of Managers.

To better define Shield T3’s mission and future scope of activity, the Board of Trustees requests that the Board of Managers undertake a thorough review of Shield T3’s current business model, viability of potential areas of expansion or growth, and other related matters. In so doing, the Board of Managers should be mindful of the University’s overall mission and the overall goals of Shield T3 to promote health and well-being of citizens, and the scope of its activities should remain limited to activities within the organizational purpose and activities approved by the Board of Trustees.

Accordingly, the Board of Trustees, as sole member, directs the Vice President/Chief Financial Officer and Comptroller to take the following actions:

1. Review and, if necessary, amend the Shield T3 Articles of Organization and Operating Agreement between the Board of Trustees and Shield T3 to effectuate the Board of Trustees’ directives contained herein;
2. Review and, if necessary, amend the Services and Management Agreement between the University and Shield T3 to effectuate the Board of Trustees’ directives contained herein; and
3. Execute any and all other documents and take any other actions as may be necessary to establish and organize Shield T3 to effectuate the Board of Trustees’ directives contained herein.

The Board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

On motion of Ms. Holmes, seconded by Mr. Camacho, this recommendation was approved.

MOTION TO ADJOURN MEETING

On motion of Ms. Holmes, seconded by Mr. Haq, the meeting adjourned at 8:25 a.m.

There were no “nay” votes.