

THE UNIVERSITY OF MICHIGAN

January 20, 2006

REGENTS COMMUNICATION

ACTION REQUEST

Subject: Amendment to License Agreement between the University of Michigan and Attenuon, LLC

Action Requested: Approval of Amendment to License Agreement

Preamble:

A statutory conflict of interest situation was identified by the Office of Technology Transfer while reviewing the technology transfer agreement which then triggered a review by the Medical School Conflict of Interest Board. A plan for management of the possible risks associated with the conflict of interest was then developed and approved by this Board.

This proposed amendment agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professors George Brewer, Sofia Merajver and Dimitri Coucouvanis and Research Associate Robert Dick are employees of the University of Michigan ("University") and partial owners of Attenuon, LLC ("Attenuon"). Professors Brewer, Merajver and Coucouvanis also are consultants to Attenuon, and Professors Brewer and Merajver Clinical Advisory Board members for Attenuon. The law permits such an Agreement provided it is disclosed to the executive officers and approved in advance by a 2/3 vote of the Regents of the University of Michigan.

Background:

The University entered into a license agreement with Attenuon in December 2001 for certain technologies invented by Professor Donna Livant, a Research Assistant Professor in Radiation Oncology. Drs. George Brewer, Sofia Merajver and Dimitri Coucouvanis and Mr. Robert Dick, while not inventors on these technologies, are the partial owners of Attenuon. Drs. Brewer, Merajver and Coucouvanis also are consultants to Attenuon, and Drs. Brewer and Merajver Clinical Advisory Board members for Attenuon. A new invention from Dr. Livant has been disclosed to the Office of Technology Transfer and Attenuon would like to add this technology to its existing license agreement. The specific technology is:

UM File No. 2739 "Method and Composition for Inducing Apoptosis in Cancer Cells" (Donna Livant)

Parties to the Agreement:

The Regents of the University of Michigan and Attenuon

Agreement Terms Include:

The current license agreement gives Attenuon an exclusive license to the technologies. The company reimburses patent costs and pays a royalty on sales.

The University will retain ownership of the optioned technology and may continue to further develop it and use it internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the agreement. Standard disclaimers of warranties and indemnification apply, and the contract may be amended by consent of the parties.

Pecuniary Interest:

The pecuniary interests of Drs. Brewer, Merajver and Coucouvanis and Mr. Dick arise from their ownership interests in Attenuon.

Net Effect:

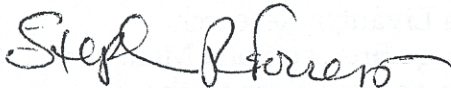
The Office of Technology Transfer has negotiated and finalized the terms of an amendment to the existing license agreement for patents related to UM OTT File No. 2739 for the fields of use outside of skin care and wound healing.

Attenuon will obtain use and commercialization rights to the above listed University technology.

Recommendations:

This matter has been reviewed and approved by the Medical School Conflict of Interest Board and a plan has been developed to manage the potential risks associated with the conflict of interest. In light of this disclosure and our finding that the Agreement was negotiated in conformance with standard University practices, I recommend that the Board of Regents approve the Amendment Agreement between the University and Attenuon.

Respectfully Submitted,



Stephen R. Forrest
Vice President for Research

January 2006