

THE UNIVERSITY OF MICHIGAN

January 20, 2006

REGENTS COMMUNICATION

ACTION REQUEST

Subject: 5th Amendment to License Agreement between the University of Michigan and Oncomed Pharmaceuticals, Inc.

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 by the Board and agreed to by the parties involved.

This proposed amendment agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professors Max Wicha and Sean Morrison are both employees of the University of Michigan ("University") and partial owners of Oncomed Pharmaceuticals, Inc. ("Oncomed"). 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:

Dr. Wicha, a Professor in Internal Medicine and Dr. Sean Morrison, Assistant Professor in Internal Medicine, are partial owners of a for-profit company called Oncomed. In addition, Dr. Wicha is a member of the Medical Advisory Board for OncoMed.

Oncomed (formerly Cancer Stem Cell Genomics) was formed in 2001 and licensed a number of technologies from the University in the area of cancer stem cell technology. Oncomed now desires to add the following technology files to its existing license:

UM OTT File No. 3231, entitled: "Self-renewal of Human Mammary Stem Cells" (Max Wicha and Gabriela Dontu)

UM OTT File No. 3232, entitled: "Targeting the Notch Signaling Pathway in Breast Cancer Stem Cells" (Wicha, Dontu, and Suling Liu)

Parties to the Agreement:

The Regents of the University of Michigan and Oncomed

Amendment Terms:

Amendment terms include giving Oncomed an exclusive license with the right to grant sublicenses. Oncomed will pay a royalty on sales and reimburse patent costs. The University will retain ownership of the licensed 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. Additional review by the Medical School Conflict of Interest Board will be done as appropriate.

Pecuniary Interest:

The pecuniary interests of Drs. Wicha and Morrison arises from their ownership interest in Oncomed. Dr. Morrison is not an inventor on any of the added technology files.

Net Effect:

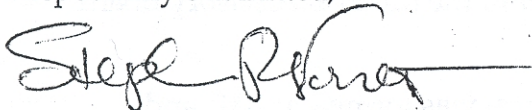
The Office of Technology Transfer has negotiated and finalized the terms of an amendment of the existing license for patents related to UM OTT File Nos. 3231 and 3232 in all fields.

Oncomed 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. 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 Oncomed.

Respectfully Submitted,



Stephen R. Forrest
Vice President for Research

January 2006