

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents

January 17, 2008

ACTION REQUEST

Subject: Non-Disclosure Agreement between the University of Michigan and Mayaterials Inc.

Action Requested: Approval of Non-Disclosure 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 OVPR Conflict of Interest Review Committee. A plan for management of the possible risks associated with the conflict of interest will be developed by this Committee and agreed to by the parties involved.

This proposed non-disclosure agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professor Richard Laine is an employee of the University of Michigan ("University") and a partial owner of Mayaterials Inc. ("Mayaterials"). 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. Richard Laine, Professor of Materials Science and Engineering is the partial owner of a Michigan for-profit start-up called Mayaterials. Mayaterials is commercializing a number of technologies in the area of nanocomposites for coatings and other applications.

The University entered into a license with Mayaterials in January 2005.

The University and Mayaterials are interested in maintaining as confidential the terms of the license agreement, a capitalization table and other business materials.

Parties to the Agreement:

The Regents of the University of Michigan and Mayaterials.

Non-Disclosure Agreement Terms:

The Agreement limits the parties' ability to disclose the information to others for a period of five years.

Pecuniary Interest:

The pecuniary interest of Dr. Laine arises from his ownership interest in Mayaterials.

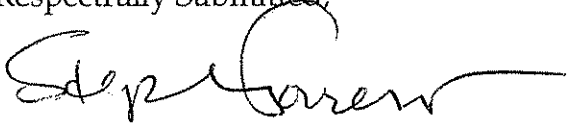
Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of a non-disclosure agreement to share information related to the license agreement for UM OTT File No. 1995 and 2615 with Mayaterials.

Recommendations:

This matter will be reviewed and approved by the OVPR Conflict of Interest Review Committee, and a conflict of interest management plan will be adopted prior to signature of the Agreement by the University. 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 Agreement between the University and Mayaterials, Inc.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Stephen R. Forrest". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Stephen R. Forrest
Vice President for Research

January 2008