

THE UNIVERSITY OF MICHIGAN EXH

REGENTS COMMUNICATION

ACTION REQUEST

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| MOTION | Brandon |
| SECOND | White |
| ACTION APPROVED BY THE REGENTS | |
| NOTE: | APR 21 2005 |

Subject: Amendment to License Agreement between the University of Michigan and OncoImmune LLP

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 in this plan.

This proposed amendment to license agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professor Kun-Liang Guan is both an employee of the University and a partial owner of OncoImmune. 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:

Kun-Liang Guan, Professor, Biological Chemistry, is a cofounder of an Ohio based Corporation, OncoImmune. In August, 2003, OncoImmune obtained a license from University to a technology titled, "The mammalian target of rapamycin (mTOR) and S6K as targets for tuberous sclerosis" and identified as OTT File No. 2404. Recently Dr. Guan disclosed an improvement to the original technology which OTT plans to file as a continuation-in-part to the original patent application. OncoImmune would like to amend its license to include this technology. The file is:

UM No. 2755 entitled: "Inhibition of the TSC-mTOR Pathway as Treatment for Peutz-Jeghers Syndrome and Wolff-Parkinson-White Syndrome"

Parties to the Agreement:

The Regents of the University of Michigan and OncoImmune

Amendment Terms Include:

Amendment terms include adding the new technology to the existing exclusive license with the right to grant sublicenses. OncoImmune 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. University procedures for approval of these changes will be followed and additional review by the Medical School Conflict of Interest Board will be done as appropriate.

Pecuniary Interest:

The pecuniary interests of Dr. Guan arises from his ownership interest in OncoImmune. He has waived any personal participation in the sharing of revenue received by the University.

Net Effect:

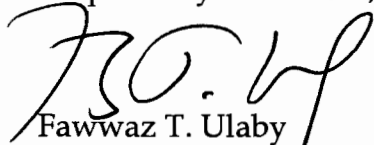
The Office of Technology Transfer has negotiated and finalized the terms of an amendment to the current exclusive license agreement for patents related to UM OTT File No. 2755.

OncoImmune 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 to License Agreement between the University and OncoImmune.

Respectfully Submitted,



Fawwaz T. Ulaby
Vice President for Research

April 2005