

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents

April 16, 2009

ACTION REQUEST

Subject: License Agreement between the University of Michigan and ImBio, Inc.

Action Requested: Authorization to enter into 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 and agreed to by the parties involved in this plan.

This proposed license agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professors Brian Ross and Al Rehemtulla are both employees of the University of Michigan ("University") and are partial owners of ImBio, Inc. 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. Brian D. Ross, Professor of Radiological Sciences, Department of Radiology and Professor of Biological Chemistry, Medical School, and Dr. Alnawaz Rehemtulla, Professor of Radiation Oncology, Medical School, are partial owners of a for-profit company called ImBio, Inc. ("Company"). The Company was formed to develop and to commercialize software and reagents useful in molecular resonance imaging diagnosis of human pathologies and has already licensed a number of technologies from the University. The Company now wishes to obtain a license to the University's rights associated with the following technology:

UM OTT File No. 4224, entitled: "Akt Molecular Reporter" (Al Rehemtulla and Brian Ross)

The Office of Technology Transfer selected the Company as a University partner and negotiated the terms of the proposed Agreement in accordance with University policy and its accepted licensing principles.

Parties to the Agreement:

The Regents of the University of Michigan and ImBio, Inc.

Agreement Terms Include:

Agreement terms include granting the Company an exclusive materials license. The Company will pay a license fee as well as royalties on net sales. 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 Agreement may be amended by consent of the parties. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

Pecuniary Interest:

The pecuniary interests of Drs. Ross and Rehemtulla arise from their ownership interest in ImBio, Inc.

Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of an exclusive license agreement for materials related to UM File No. 4224 for reagent use of the materials.

ImBio, Inc. will use this license to supply materials to third party users needing access 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 Agreement between the University and ImBio, Inc.

Respectfully Submitted,



Stephen R. Forrest
Vice President for Research

April 2009