

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Master Agreement between the University of Michigan and Atterocor, Inc.

Action Requested: Authorization to enter into Master Agreement

Preamble:

A statutory conflict of interest situation was identified by the Office of Research and Sponsored Projects while reviewing the Proposal Approval Form that then triggered a review by the Medical School Conflict of Interest Board. A plan for management of the possible risks associated with the conflicts of interest will be developed by the Board and agreed to by the parties involved.

This proposed master agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professors Gary Hammer and Thomas Kerppola are both employees of the University of Michigan ("University") and partial owners of Atterocor, Inc. The law permits such an Agreement provided it is disclosed to the Board of Regents ("Regents") of the University of Michigan and approved in advance by a 2/3 vote.

Background:

Dr. Gary Hammer, a Professor of Adrenal Cancer, Internal Medicine, Molecular and Integrative Physiology, Cell and Developmental Biology and Director of the Center for Organogenesis, and Dr. Thomas Kerppola, a Professor of Biological Chemistry, are the partial owners of the for-profit company called Atterocor, Inc. (the "Company"). The Company focuses on the accelerated development of novel therapies for adrenal cancer and has licensed relevant technologies from the University as disclosed in a previous Regental Action. The Company wishes to support research projects at the University and desires to use facilities of the University for projects related to research and development of these technologies. The role of Drs. Hammer and Kerppola will be described in a project statement for each project and shall be subject to an approved conflict of interest management plan.

Agreement Terms:

The University will enter into an Agreement with the Company that will cover standard procedures for performance of projects as well as provisions implementing University and federal policies related to intellectual property and publication. The Agreement will cover an initial five-year period, with a total authorization not to exceed \$1,000,000. The University will use standard sponsored project accounting procedures to determine the cost of each project under this Agreement. Budgets will be reviewed and approved by authorized representatives of the applicable department(s) and school(s)/college(s) where projects will be performed. The Agreement will allow the University and the Company to specify projects that the

University will conduct under the terms of the Agreement. Since sponsored projects are often amended, the Agreement will include provisions for changes in the time, amount, and scope of each supported project. University procedures for approval of each project will be followed and additional conflict of interest review will be done on a project-by-project basis.

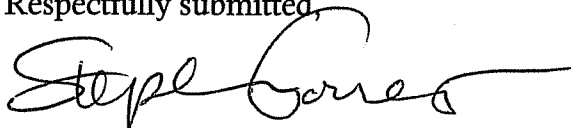
Impact of the Agreement:

The Agreement will facilitate research that will assist the University in developing and commercializing technology to support novel therapies of adrenal cancer.

Recommendations:

These matters will be reviewed and approved by the Medical School Conflict of Interest Board and a plan will be developed to manage the potential conflict of interest risks associated with each project that will be implemented under the terms of the Master Agreement prior to the University's approval of any individual project. In light of this disclosure and our finding that the Agreement will be negotiated in conformance with standard University practices, I recommend that the Board of Regents approve the Agreement between the University and Atterocor, Inc.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stephen R. Forrest", with a long horizontal flourish extending to the right.

Stephen R. Forrest
Vice President for Research

May 2013