

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

ACTION REQUEST

EXH	MOTION	<i>Maynard</i>
	SECONDED	<i>McBowan</i>
	NOTED	APPROVED BY THE REGENT
	DATE	JUN 16 2005
<i>Richardson abstained</i>		

Subject: Material Transfer Agreement between the University of Michigan and Innovative Biotherapies, Inc.

Action Requested: Approval of Material Transfer 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 developed and approved by this Board and agreed to by the parties involved in this plan.

This proposed material transfer agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professor H. David Humes is both an employee of the University of Michigan ("University") and a founder, partial owner, director and officer of Innovative Biotherapies, Inc. ("InnoBio"). 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. H. David Humes, Professor of Internal Medicine, is a founder, partial owner, director and officer of a for-profit company called InnoBio. InnoBio wishes to obtain certain materials from the laboratory of Dr. Gregory Dressler, an Associate Professor in the Department of Pathology. The specific materials are: Pax2 cDNAs and GDNF promoter/reporter vector. Dr. Dressler has no ownership interest in InnoBio.

Parties to the Agreement:

The Regents of the University of Michigan and Innovative Biotherapies, Inc.

License Terms Include:

Material transfer agreement terms include giving InnoBio a non-exclusive license to use the materials solely for internal research purposes. The University will retain ownership of the materials and may continue to further develop and license them. 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.

Pecuniary Interest:

The pecuniary interests of Dr. Humes arise from his ownership interest in InnoBio. He has waived any personal participation in the sharing of revenue received by the University.

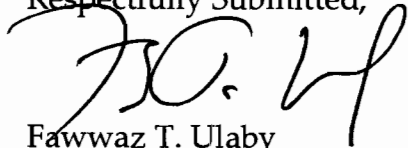
Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of a Material Transfer Agreement for the materials defined above.

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 Material Transfer Agreement between the University and Innovative Biotherapies, Inc.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'F. Ulaby', written over the typed name.

Fawwaz T. Ulaby
Vice President for Research

June 2005