

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents

ACTION REQUEST

October 25, 2007

Subject: Non-Disclosure Agreement between the University of Michigan and Avidimer Therapeutics, 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 a 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 this Board and agreed to by the parties involved.

This proposed non-disclosure agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Dr. James R. Baker, Jr. is both an employee of the University of Michigan ("University") and a partial owner, Chief Scientific Officer and Chairman of the Board of Directors for Avidimer. 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. James Baker, Director of the Michigan Nanotechnology Institute for Medicine and Biological Sciences, Professor of Internal Medicine and tenured faculty member is the principal owner of three Ann Arbor start-up companies. These companies are: Nanobiologics LLC, NanoBio Corporation and Avidimer. Licenses with NanoBio and Avidimer have been disclosed under separate Regental reviews.

Avidimer is now interested in reviewing newer technology disclosures from Dr. Baker's laboratory:

- UM OTT File No. 3153 entitled: "Functionalized Dendrimer-Encapsulated and Dendrimer-Stabilized Nanoparticles" (Baker and Xiangyang Shi)
- UM OTT File No. 3384 entitled: "Dendrimer Based Compositions and Methods of Using the Same" (Baker, Shi and Su H. Wang)
- UM OTT File No. 3426 entitled: "Targeted Delivery of Imaging Agents/Drugs to Cancer Cells" (Baker, Thommey Thomas, Rameshwer Shukla)
- UM OTT File No. 3488 entitled: "Dendrimeric Prodrugs as Effective Anticancer Therapy" (Baker and Xue-min Cheng)
- UM OTT File No. 3489 entitled: "Dendrimeric Nanodevice as Targeted Anticancer Therapy" (Baker and Cheng)

UM OTT File No. 3513 entitled: "One-Step Formation and Functionalization of Dendrimer-Stabilized Gold Nanoparticles for Targeted Cancer Therapy" (Baker, Shi, Wang)

UM OTT File No. 3429 entitled: "Targeted Intracellular FRET-Based Apoptosis Detector" (Baker, Andrzej Myc, Istvan Majoros)

UM OTT File No. 3709 entitled: "Dendrimeric Prodrugs as Controlled Release Formulations in Pain Management" (Baker, Cheng and Abraham Vanders)

UM OTT File No. 3835 entitled: "Targeted Delivery of Imaging Agents/Drugs to Cancer Cells Using Fibroblast Growth Factor (FGF) as Targeting Agent" (Baker, Shukla, and Thomas)

Parties to the Agreement:

The Regents of the University of Michigan and Avidimer Therapeutics, Inc.

Non-Disclosure Agreement Terms:

The Agreement limits Avidimer to internal evaluation of the technologies.

Pecuniary Interest:

The pecuniary interest of Dr. Baker arises from his ownership interest in Avidimer.

Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of a Non-Disclosure Agreement to share information related to UM OTT File Nos. 3153; 3384; 3426; 3429; 3488; 3489; 3153; 3709; and 3835 with Avidimer.

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 Non-Disclosure Agreement between the University and Avidimer Therapeutics, Inc.

Respectfully Submitted,



Stephen R. Forrest  
Vice President for Research

October 2007