

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Research Agreement between the University of Michigan and Virule, Inc.

Action Requested: Authorization to enter into Agreement

Preamble:

A statutory conflict of interest situation was identified by the Office of Research and Sponsored Projects while reviewing the Proposal Approval Form 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 the Board and agreed to by the parties involved.

This proposed research agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professor David Markovitz is an employee of the University of Michigan ("University"), and a partial owner of Virule, 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:

David Markovitz, MD is a Professor in the Department of Internal Medicine in the Medical School, and is the President/Chief Executive Officer and partial owner of a for-profit company called Virule, Inc. (the "Company"). The Company wishes to fund a project entitled "A Novel Molecularly Engineered Lectin for Prevention and Treatment of Influenza" (ORSP# 15-PAF03142) in the Department of Internal Medicine under the direction of Dr. Markovitz. The purpose of this project is to further research associated with a modified antiviral lectin for clinical applications in the treatment of influenza.

Agreement Terms:

The terms of the Agreement conform to University policy. The period of performance for the project is approximately twelve (12) months. The amount of funding support will not exceed \$90,245. Since research projects are often amended, this agreement includes a provision for changes in time and scope. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

Impact of the Agreement

The Agreement will support an effort by Dr. Markovitz to use his expertise and University laboratory, as well as other University resources to create a new and novel clinical approach to the treatment for influenza.

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 University's entering into this Agreement with Virule, Inc.

Respectfully submitted,



S. Jack Hu
Interim Vice President for Research

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