

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the
Regents
December 18, 2014

ACTION REQUEST

Subject: Subcontract Agreement between the University of Michigan and PhasiQ, 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 UMOR Conflict of Interest Review Committee. A plan for management of the possible risks associated with the conflict of interest was developed and approved by the Committee and agreed to by the parties involved.

This proposed agreement ("Agreements") falls under the State of Michigan Conflict of Interest Statute because Professor Shuichi Takayama is an employee of the University of Michigan ("University"), and a partial owner and Board of Directors President of PhasiQ, 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. Takayama, a Professor in the Department of Biomedical Engineering, College of Engineering, is a partial owner and Board of Directors President of a for-profit company called PhasiQ, Inc. (the "Company"). The Company wishes to fund a NSF (prime) STTR Phase I project entitled "Quantifying Histone Posttranslational Modifications for Early Detection of Ebola Patient Deterioration" (ORSP# 15-PAF03125) in the Department of Biomedical Engineering under the direction of Dr. Takayama and Dr. Yongqing Li, Assistant Professor of Surgery, Acute General Surgery in the Medical School as PI. The purpose of this project is to develop a platform for 9 Plex (protein) sandwich immunoassay clinical sample measurement allowing for earlier detection of sepsis, and permitting earlier treatments and higher survival rates.

Agreement Terms:

The terms of the Agreement will conform to University policy. The period of performance for the project is approximately twelve (12) months. The amount of funding support from Company will not exceed \$120,000. Since research projects are often amended, this agreement includes provisions for changes in time, amount, and scope. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

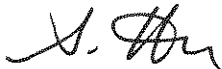
Impact of the Agreement

The Agreement will support an effort by Drs. Takayama and Li to use their expertise and University laboratory, as well as other University resources to develop a platform for 9 Plex (protein) sandwich immunoassay clinical sample measurement allowing for earlier detection of sepsis, and permitting earlier treatments and higher survival rates.

Recommendation:

This matter has been reviewed and approved by the UMOR Conflict of Interest Review Committee. In light of this disclosure and our findings that the Agreement was negotiated in conformance with standard University practices. I recommend that the Board of Regents approve of the University's entering into this Agreement with PhasiQ, Inc.

Respectfully submitted,



S. Jack Hu
Interim Vice President for Research

December 2014