

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

ACTION REQUEST

EXH	MOTION Deitch
	SECT. 10 Newman
	ACTION APPROVED BY THE REGE
NOTE:	JUL 21 2005

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

Action Requested: Authorization to enter into Agreement

Preamble:

A statutory conflict of interest situation was identified by DRDA while reviewing the Proposal Approval Form that then triggered a review by the OVPR Conflict of Interest Review Committee. A plan for management of the possible risks associated with the conflicts of interest was developed by the committee and agreed to by the parties involved in this plan.

This proposed agreement (Agreement) falls under the State of Michigan Conflict of Interest Statute because Dr. Marios C. Papaefthymiou is a part owner of Cyclos Semiconductor, Inc. (Cyclos) a for-profit company, and an employee of the University. 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.

Background:

Dr. Papaefthymiou, Professor of Electrical Engineering and Computer Science, is a part owner, Chief Scientist, and President of Cyclos. Cyclos wishes to enter into a research agreement with the University to fund a project in the College of Engineering under the direction of Dr. Karem Sakallah, Professor of Electrical Engineering and Computer Science, as Principal Investigator. Dr. Papaefthymiou will be a Co-Investigator and will only participate in this project in his capacity as a University employee.

Nature of the Project:

The University will enter into a research agreement with Cyclos for a project titled "Charge Recovery Technology Evaluation."

Agreement Terms:

The terms of the Agreement conform to University policy. Under the project, a total contract of \$94,502 is anticipated to cover the period May 1, 2005, through July 31, 2007. The University's standard contract provisions will apply. Since research agreements are often amended, the subcontract includes provisions for changes in time, amount, and scope of the research. University procedures for approval of these changes will be followed and additional review by the conflict of interest review committee will be done as appropriate.

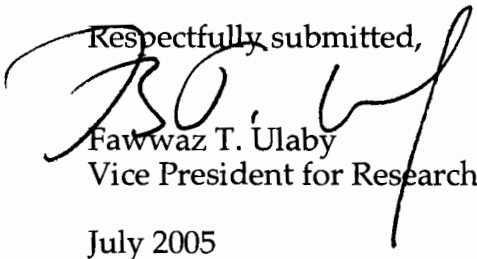
Impact of the Agreement:

The Agreement will support an effort by Dr. Sakallah to assess the level of power savings that can be achieved through the application of circuit-level intellectual property that Cyclos intends to license from the University.

Recommendation:

This matter was reviewed and approved by the OVPR Conflict of Interest Review Committee and a plan has been developed to manage the potential conflicts. In light of this disclosure and our finding that the Agreement conforms to standard University practices, I recommend that the Board of Regents approve of the University entering into this Agreement with Cyclos Semiconductor, Inc.

Respectfully submitted,



Fawwaz T. Ulaby
Vice President for Research

July 2005