

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents

February 19, 2009

ACTION REQUEST

Subject: License Agreement between the University of Michigan and Ablation Frontiers, Inc.

Action Requested: Approval of License Agreement

Preamble:

A statutory conflict of interest situation was identified by the Office of Technology Transfer while reviewing the technology transfer agreement that 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 this Board and agreed to by the parties involved in this plan.

This proposed License Agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Dr. Hakan Oral is both an employee of the University of Michigan ("University") and a partial owner of Ablation Frontiers, Inc. ("Company"). 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. Hakan Oral is a Professor in Internal Medicine, and is the partial owner of a for-profit company called Ablation Frontiers, Inc. The Company was formed to commercialize solutions for individuals suffering from atrial fibrillation and other cardiac arrhythmias, and desires to license from the University of Michigan the University's rights associated with the following technology:

UM OTT File No: 3958, entitled: "Real Time, Multi-channel, Multi-Site Analysis of Cardiac Electrograms in the Time- and Frequency-Domains" (Dr. Oral, Magnus Ulfarsson and Dr. Fred Morady)

The Office of Technology Transfer selected the Company as a University partner and negotiated the terms of the proposed Agreement in accordance with University policy and its accepted licensing principles.

Parties to the Agreement:

The Regents of the University of Michigan and Ablation Frontiers, Inc.

Agreement Terms Include:

Agreement terms include granting the Company an exclusive license with the right to grant sublicenses. The Company will pay a license fee. The University will retain ownership of the licensed technology and may continue to further develop it and use it internally. 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 Agreement may be amended by consent of the parties. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

Pecuniary Interest:

The pecuniary interests of Dr. Oral arise from his ownership interest in Ablation Frontiers, Inc.

Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of a worldwide exclusive license agreement for software related to UM OTT File No. 3958 for all fields of use.

Ablation Frontiers will obtain use and commercialization rights to the above listed University technology.

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 Agreement between the University and Ablation Frontiers, Inc.

Respectfully Submitted,



Stephen R. Forrest
Vice President for Research

February 2009