

ACTION REQUEST

Subject: Option Agreement between the University of Michigan and Movellus Circuits Inc.

Action Requested: Approval of Option 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 UMOR Conflict of Interest Review Committee. A plan for management of the possible risks associated with the conflict of interest was then developed and approved by this Committee and agreed to by the parties involved in this plan.

This proposed option agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professor David Wentzloff and Doctoral Candidate Muhammad Faisal are both employees of the University of Michigan ("University") and partial owners of Movellus Circuits 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. David Wentzloff, a Professor in the Department of Electrical Engineering & Computer Science, and Muhammad Faisal, a Doctoral Candidate in the Department of Electrical Engineering & Computer Science, are the partial owners of a for-profit company called Movellus Circuits Inc. (the "Company"). The Company was formed recently to commercialize a programmable clock generator for ultra low power Internet of things, and desires to option from the University of Michigan the University's rights associated with the following technology:

UM OTT File No. 5952, entitled: "A 300nW Near-Threshold 187.5 - 500 kHz Programmable Clock Generator for Ultra Low Power Internet of Things Applications" (David D. Wentzloff, Muhammad Faisal)

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 Movellus Circuits Inc.

Agreement Terms Include:

Agreement terms include granting the Company an option to further evaluate the subject technology and, upon meeting specific milestones, the ability to negotiate an

exclusive license with the right to grant sublicenses. The Company will pay an option fee to the University.

The University will retain ownership of the optioned technology and may continue to further develop it and use it internally as well as in collaborations with other research institutions. 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, such as adding related technology. 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. Wentzloff and Mr. Muhammad Faisal arise from their ownership interest in Movellus Circuits Inc.

Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of an Option agreement for patents related to UM OTT File Number 5952 for all fields of use. Movellus Circuits Inc. will obtain evaluation rights to the above listed University technology.

Recommendations:

This matter has been reviewed and approved by the UMOR Conflict of Interest Review Committee. 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 Movellus Circuits Inc.

Respectfully submitted,



S. Jack Hu  
Interim Vice President for Research

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