

**THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION**

ACTION REQUEST

Subject: Regental Action Required Under the State of Michigan Conflict of Interest Statute

Action Requested: Authorization for the University to enter into an agreement with Corymbus Asset Management, Inc. (University of Michigan Employee, Peter Adriaens, Co-Founder and Stockholder)

Background:

The University of Michigan Zell Lurie Institute for Entrepreneurial Studies at the Ross School of Business seeks approval to enter into an agreement with Corymbus Asset Management, Inc. ("Corymbus") to provide an analysis and fact sheet for each company invited to present at the 2017 Michigan Growth Capital Symposium. The fact sheet will provide a risk profile on each company for investment risk. Corymbus was selected because of their proprietary analysis program, Keystone Compact Analysis.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Peter Adriaens is a University employee as Professor of Entrepreneurship with the Civil and Environmental Engineering Department and would be party to the contract as a Co-Founder and Stockholder of Corymbus.

However, the Statute allows the University to enter into such agreements if the following conditions are met:

- a) The public servant promptly discloses any pecuniary interest in the contract to the official body which has power to approve the purchase, which disclosure shall be a matter of record in its official proceedings.
- b) The purchase is approved by a vote of not less than 2/3 of the full membership of the approving body in open session without the vote of the public servant making the disclosure.
- c) The official body discloses the following summary information in its official minutes:
  - i) The name of each party involved in the contract.
  - ii) The terms of the purchase, including duration, financial consideration between the parties, facilities or services of the public entity included in the purchase, and the nature and degree of assignment of employees of the public entity for fulfillment of the purchase.
  - iii) The nature of any pecuniary interest.

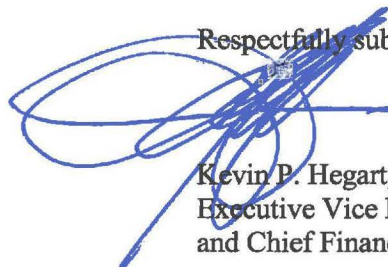
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its Zell Lurie Institute for Entrepreneurial Studies at the Ross School of Business and Corymbus.
- ii) The agreement is to provide an analysis and fact sheet for each company invited to present at the 2017 Michigan Growth Capital Symposium in May. It is expected that 32 to 50 companies will receive an analysis. The cost of each analysis is \$179 with a total cost not to exceed \$8,950. Corymbus will be supplying all the necessary resources and personnel to fulfill this contract. The remaining base contract terms and conditions are typical to those used in Procurement Services standard templates for other similar contracts entered into by the Regents.
- iii) The pecuniary interest arises from the fact that University of Michigan employee, Peter Adriaens, is a Co-Founder and Stockholder of Corymbus.

Peter Adriaens has met state law requirements with the disclosure of his pecuniary interest and formal appointment arrangements with the University of Michigan. Requirements, if any, that may be applicable by the supervisor of Peter Adriaens under the Medical School's or OVPR's Conflict of Interest Committee's procedures are separately analyzed and managed.

We recommend that the Board of Regents approve the agreement between the University of Michigan and Corymbus subject to requirements, if any, that the supervisor of Peter Adriaens or the Medical School's or OVPR's Conflict of Interest Committee may impose.

Respectfully submitted,



Kevin P. Hegarty  
Executive Vice President  
and Chief Financial Officer

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