

APRIL MEETING, 2013

*The University of Michigan
Ann Arbor
April 18, 2013*

The regents convened at 3:00 p.m. in the Anderson Room, Michigan Union. Present were President Coleman and Regents Bernstein, Darlow, Diggs, Ilitch, Newman, Richner, and White. Regent Deitch was absent. Also present were Vice President and Secretary Churchill, Vice President Forrest, Provost Hanlon, Vice President Harper, Chancellor Little, Vice President Lynch, Chancellor Person, Executive Vice President Pescovitz, Vice President Rudgers, Executive Vice President Slottow, and Vice President Wilbanks. Vice President May was absent.

Call to Order and President's Opening Remarks

President Coleman began by recognizing the grief that the people of Boston are experiencing due to a senseless act of violence, and also the community of West Texas, recovering from a terrible industrial accident. She offered condolences and well wishes.

President Coleman then recognized the accomplishments of some exceptional student-athletes. The men's swimming and diving team won the NCAA national championship – the 54th overall national title for a Michigan team, and the program's 19th national title, making it the University's most successful athletic program.

Regent Bernstein, presented a resolution to Coach Bottom and the team:

The Regents of the University of Michigan applaud and congratulate the men's swimming and diving team on their record-breaking season, culminating with the team's 12th NCAA Championship on March 30, 2013, the most of any swimming and diving program in history.

Michigan finished the season with an 8-0 dual-meet record. Fourteen Michigan swimmers earned a total of 40 NCAA All-American honors, including 2012 U.S.

Olympian Connor Jaeger, who won individual NCAA titles in the 500-yard freestyle and 1,650-yard freestyle. The 200-yard medley relay team of Miguel Ortiz, Bruno Ortiz, Sean Fletcher and Zack Turk also won gold, setting new NCAA, U.S. Open, NCAA Championship and program records with their winning swim. The Wolverines won the Big Ten Championship for the third-straight year (and 37th time in program history), with a sweep of all five relays for the first time ever.

The season was appropriately capped off with Connor Jaeger named the 2013 Big Ten Swimmer of the Year, and head coach Mike Bottom the CSCAA Head Swimming Coach of the Year. Collectively, the team's talent overflows the confines of the pool, with 18 of its 45 members earning Academic All-Big Ten honors.

The Regents now salute the men's swimming and diving team, including Coach Bottom and his staff, for their national championship.

President Coleman congratulated Coach John Beilein and the men's basketball team, which competed in the national championship game. Regent Newman presented the following resolution:

The Regents of the University of Michigan salute and congratulate the men's basketball team on a remarkable season. From November through March Madness into the NCAA Final Four and Championship Game in Atlanta, you gave our entire University family wonderful memories that will last a lifetime. It was a Big Dance, indeed.

You are a team with many stakeholders – from the Maize Rage to the pep band, from the cheer team to fans of all ages. But as the tournament events showed us, you earned support and admiration from a global community of alumni and friends.

Every young man on this team exemplifies what it means to be a student athlete at Michigan. Your academic accomplishments, athleticism, poise, confidence, skill and determination represent the best of Michigan. The 2012 – 2013 men's basketball team, among the youngest in the tournament, showed a collective maturity with great courage and resolve.

We also congratulate Coach John Beilein and the basketball program's dedicated assistant coaches and staff, and thank you all for representing this institution so well. In his career at Michigan, Coach Beilein has honored our traditions. A teacher and mentor to his players, with a focus on the well-being of all.

The Regents applaud each member of the men's basketball team, Coach Beilein, the assistant coaches and the basketball program staff. Your thrilling season

inspired us. In your accomplishments, we see again what makes Michigan Michigan: Heart. Integrity. Spirit. Teamwork. Perseverance. Excellence.

Several club sports also won national championships. The Michigan Fencing Club and the Michigan Rifle Team won national titles, and for the first time in its history, the Michigan Cheerleading Team won a national championship.

President Coleman continued, saying that this is the final meeting with Phil Hanlon, provost and executive vice president for academic affairs, who will become the president of his alma mater, Dartmouth College on July 1, 2013. Provost Hanlon has been a model of integrity, patience, and creative thinking, and will be missed tremendously.

Regent White, presented the following resolution to Provost Hanlon:

The Regents of the University of Michigan extend heartfelt congratulations to Provost and Executive Vice President for Academic Affairs, Philip J. Hanlon as he leaves the University on May 31, 2013, to become president of Dartmouth College.

Provost Hanlon joined the Department of Mathematics in the College of Literature, Science, and the Arts in 1986, and was later named a Donald J. Lewis Collegiate Professor of Mathematics. He was promoted to Associate Dean for Planning and Finance in the College of Literature, Science, and the Arts, Associate Provost for Academic and Budgetary Affairs, and Vice Provost. He remains, at his very core, a talented and passionate teacher of mathematics, earning both an Education Excellence Award, and an Arthur F. Thurnau professorship.

As an administrator and an academic, he valued the pillars of access, quality and research, never compromising on academic excellence, and continuing to enhance opportunities for service learning and entrepreneurship. With his strong command of budgetary issues, and a thoughtful leadership style, he has been an effective steward of the University resources in very challenging financial times. Appointed Provost on July 1, 2010, he has been a creative, progressive thinker, a keeper of strong values, and an unsung hero for diversity on campus. He is an avid Michigan sports fan, and is beloved by his colleagues for his calm but firm approach, warm demeanor, and wonderful humor.

The Regents salute Provost Philip J. Hanlon and congratulate him on returning to his alma mater to become the eighteenth president of Dartmouth College.

Regent White added that she will miss his friendship and leadership, and she wished him the best of luck. Provost Hanlon thanked President Coleman and the Regents for the privilege of serving as Provost of the University of Michigan.

President Coleman continued, “Ours is a university unlike any other, and there is no place I would rather be. I have told the Board of Regents that Michigan is where I wish to conclude my career. I will retire as president when my contract ends on July 31st of 2014.

“The University of Michigan deserves the best in a leader, and I want to give the Board ample time to select the next president. I am committed to working with the Board members to ensure a smooth leadership transition. Leading the University of Michigan is the most challenging and rewarding work of my career. It is a tremendous privilege and one that continually energizes me. I am extremely proud of the work we have done together, to make Michigan more vibrant, more accessible and more global. I fully anticipate the next 15 months will be like my previous 11 years – busy.” She said that she and her husband, Ken, plan to stay in Ann Arbor and remain active in the community.

Regent Newman said, “Mary Sue Coleman has been an extraordinary leader for an extraordinary university. She has dedicated herself to advancing the academic excellence of UM. Working with the board, she has positioned the university for future impact in critical faculty hires, growth of the research enterprise, new and renovated facilities, and a strong philanthropic base that becomes increasingly important. I believe that years from now historians will rightly credit her with successfully and skillfully leading UM through its most challenging economic era since the depression. The Board is profoundly grateful for her service and we anticipate working closely with her on an orderly leadership transition.

“The Board will now turn its attention to hiring the 14th president of the University of Michigan. Hiring a president is the most critical job of the board and we will seek an exceptional candidate to lead the university into its third century. There are many details to finalize, and we anticipate a formal search will begin this summer.”

Regent Ilitch said it has been a wonderful run, and that she agreed with Regent Newman’s comments.

Regent Richner said, “This is bittersweet. We are grateful you will be with us for another 15 months. Your record speaks for itself, and the university has excelled under your leadership. Thank you.”

Regent Darlow said that she looks forward to these next months, and is grateful that the Coleman’s will be staying in the area.

President Coleman then announced a supplemental agenda item, saying, “One of the great joys of being president is interacting with our donors, who have such a deep love of the University. Charles Munger was a Michigan undergraduate before leaving campus to serve in World War II. He currently is the vice chair of Berkshire Hathaway and has made generous gifts to support the Law School. The current renovation under way at the Lawyers Club is thanks to his gift of \$20 million.”

And now a new extraordinary gift of \$110 million is given to fund a new Central Campus residence complex. This is the largest gift in the University’s history. This new facility will accommodate 600 students in a highly collaborative setting, and includes \$10 million to endow fellowships for graduate students. She thanked Mr. Munger deeply for this transformative gift.

Regent Newman said that the regents had the opportunity to meet with Mr. Munger when they were in Los Angeles in January, and that he is extraordinary, as is his vision. This will set Michigan apart as the only university with dedicated, cross-discipline graduate housing.

On a motion by Regent Newman, seconded by Regent Ilitch, the regents unanimously approved: the designation of the new graduate residential apartment building as the Munger Graduate Residences; the acquisition of properties at 535 and 537 South Division Street, and 401 and 409 East Madison Street, Ann Arbor, Michigan as described; the New Graduate Residential Apartment Building project as described, including commissioning Integrated Design Solutions LL in association with Hartman-Cox Architects for its design; and the adoption of the resolution regarding eminent domain for parcels 541 and 543 as presented.

President Coleman said that Vice President Harper had an additional supplemental agenda item on university unions and recreational sports facilities.

Vice President Harper presented a request for approval of a student fee as part of a comprehensive funding package to renovate the university unions and the recreational sports facilities. Dr. Loren Rullman, associate vice president for student affairs, outlined the role of these buildings in the life of the university, and their worthiness in terms of investment and renovation. The projections are for a \$173 million project with funding shared evenly by students and other university sources to be reflective of the use by all campus stakeholders.

Vice President Churchill called on those who had signed up for public comment on this agenda item. The regents heard from the following students: Alexander G. Abdun-Nabi, student, on unions and recreational sports facilities and renovations; Caroline Canning, student, on renovations to the Michigan Union; Corey Walsh, student, on union and recreational sports renovations.

Regent Ilitch said that she enthusiastically supports this, and that hearing the strong student support behind this made a difference in her decision-making.

Regent Darlow said she was glad that the proposal ensures that students receiving need based financial aid would have this fee included in their financial aid package.

Regent Newman said that while she was initially “very interested in renovating the student recreation centers, and commended the university, and thought there was a plan to do that without adding a student fee. The plan presented included recreational facilities and the unions and a fee of \$65 per semester, and \$130 per year for every student, with no choice.” She said that her concern is that there are many areas on campus that need repair, and that she would be remiss to support a fee on students for 30 years, while feeling it may have been accomplished in a different way. She added that a vote on tuition will be coming up, and she “expects to see all the students present to support increasing tuition as well, in order to maintain the academic quality.” She concluded by saying she is “not in favor of raising mandatory student fee. If there were a choice I would be more comfortable. Having no choice is just like tuition, and because there is no choice I will vote against it.”

Regent Bernstein said that he support this, and is grateful for the broad and deep support among students to bring these facilities up to date.

Regent Diggs said that she was supportive of this project and happy to see the connection between living, social activities, and academics.

On a motion by Regent Ilitch, seconded by Regent White, the regents approved the University Unions and Recreational Sports Facility Improvement Fee of \$65 per term beginning FY 2015, with Regents Bernstein, Darlow, Diggs, Ilitch, and White voting in favor, and Regents Newman and Richner opposed.

Next, Dr. John Greden, executive director of the U-M Depression Centers provided an update on the center that was established by the board in 2001, and has become a national model for research, treatment and education.

Presentation: “UM Depression Center update”

Dr. Greden, acknowledged his colleagues from the center, and spoke to the great value they bring in their collaborative approach. He said that he appreciates the encouragement the center receives from the university. Few places are poised to address these complex needs associated with depression, and The Depression Center’s integrative approach.

President Coleman introduced Professor Kim Kearfott, SACUA chair, to give the annual report of the Senate Advisory Committee on University Affairs.

Dr. Kearfott said that faculty governance has been an evolution and a revolution this year, with participation in SACUA moving gradually and consistently forward. She spoke to the accomplishments such as expanding inclusion of a wide range of faculty members, and the addition of committees, and committee participation, saying that it was a very productive year.

Committee Reports

Finance, Audit and Investment Committee. Regent White, chair of the Finance, Audit and Investment Committee, said that she and Regents Bernstein and Richner, and President Coleman met with Executive Vice President Slottow. The committee received an update on the Athletic Department FY 2014 budget from Athletic Director Dave Brandon, via conference call, and Jim Balgooyen, executive director of athletics business operations, and Rowan Miranda, associate vice president for finance.

Health Affairs Committee. Regent Darlow, chair of the Health Affairs Committee, reported that she and committee member Regent Diggs received an update on the Health System

finances and the Medical School recent student match. They also received an update on strategic initiatives and plans, and a fact sheet on the economic impact of the Health System on the community. Finally, the committee was updated on the relationship with the Chelsea Hospital, where the family medicine inpatient unit is expanding. Also participating in the meeting were Executive Vice President Pescovitz, Dean Woolliscroft, Health System CFO Paul Castillo, and for a portion of the meeting, President Coleman, and Tim Lynch, vice president and general counsel.

Personnel, Compensation and Governance Committee. Regent Ilitch, chair of the Personnel, Compensation and Governance Committee, met with committee member Regent Newman along with President Coleman, Vice President Churchill, Provost Hanlon, and Vice Provost Martha Pollack. They received an update on the Medical School, and were joined by Executive Vice President Pescovitz and Dean Woolliscroft. The UM Medical School remains one of the elite schools in the world, and has maintained a tie for second in the nation. The committee also received an update from Provost Hanlon, and an update from Chancellor Little on the Dearborn Campus. They then received the annual report from SACUA.

Consent Agenda

Minutes. Vice President Churchill submitted for approval the minutes of the meeting of March 21, 2013.

Reports. Executive Vice President Slottow submitted the Investment Report, the Plant Extension Report, the University Human Resources Report, and Regents Report on Non-Competitive Purchases over \$5,000 from single sources, December 16, 2012 through March 15, 2013.

Litigation Report. Vice President Lynch submitted the Litigation Report.

Research Report. Vice President Forrest submitted the Report of Projects Established, July 1 – March 31, 2013. He spoke to the proposed appointment of Ken Nisbet, to associate vice president for research technology transfer. He also introduced Dr. Arul Chinnaiyan, S. P. Hicks Endowed Professor of Pathology, named the University of Michigan Innovator of the Year, one of the most prestigious awards at the university, for his outstanding work in cancer research.

University of Michigan Health System. Executive Vice President Pescovitz had no additional report.

Division of Student Affairs. Vice President Harper thanked Manish Parikh for his outstanding, independent and courageous service as President of the Central Student Government. She thanked him for his service and wished him all best.

Central Student Government Report. Manish Parikh introduced new elected CSG officers, Michael Proppe, president, and Bobby Dishell, vice president, who will begin their term on May 1, 2013. He distributed a report of the accomplishments of the CSG over the past year and thanked the board, the executive officers and the regents for their support. Incoming CSG President Proppe thanked Mr. Parikh, and the students, and said that he looks forward to working with everyone for the advancement of the university.

University of Michigan-Dearborn. Chancellor Little reported on the upcoming UM-Dearborn commencement ceremonies, for which nearly 800 students are eligible. Anne Parsons, president and CEO of the Detroit Symphony Orchestra will be the commencement speaker in the morning, and Jeffrey Sachs, director of the Earth Institute at Columbia University is the speaker in the afternoon. He spoke in support of the action item for renovations to the science building on the Dearborn Campus.

University of Michigan-Flint. Chancellor Person reported on national accreditation visits that recently took place on the Flint Campus, and thanked Regent Bernstein for talking with the team members as part of the process.

Voluntary Support. Vice President May submitted the report of voluntary support for March 31, 2013.

Personnel Actions/Personnel Reports.

Provost Hanlon commented on the appointment of Susan A. Gelman, interim dean, College of Literature, Science, and the Arts.

Retirement Memoirs. Vice President Churchill submitted four faculty retirement memoirs, including one for Provost Phil Hanlon.

Memorials. No deaths of active faculty members were reported to the regents this month.

Approval of Consent Agenda. On a motion by Regent White, seconded by Regent Darlow, the regents unanimously approved the consent agenda.

Alternative Asset Commitment

Executive Vice President Slottow reported on the University's follow-on investments with the previously approved investment managers: \$35 million with TCV VIII, L.P.; \$950,000 with SCF Fund VII, L.P., and \$6.5 million with SCF Fund VIII, L.P.; and \$25 million with SSC IV, L.P.

Public Equity

On a motion by Regent White, seconded by Regent Ilitch, the Regents approved a commitment of \$50 million from the University's Long Term Portfolio to Evermore Global Advisors.

Absolute Return

On a motion by Regent Diggs, seconded by Regent White, the regents unanimously approved a commitment of \$30 million from the University's Long Term Portfolio to the JAM Special Opportunities Fund III, L.P.

Appointment of Auditors

On a motion by Regent Newman, seconded by Regent Richner, the regents unanimously approved PricewaterhouseCoopers as the external auditors for fiscal years 2013 through 2015.

William L. Clements Library Infrastructure Improvements and Addition

Paul Urbanek, vice president and director of design, SmithGroupJJR, gave an overview of the schematic design for the addition and infrastructure improvements.

On a motion by Regent Newman, seconded by Regent Ilitch, the regents unanimously approved the schematic design for the William L. Clements Library Infrastructure Improvements and Addition project as presented.

University of Michigan-Dearborn Science Building and Computer Information Science Building Renovation

Jim Lucky, director of design, SHW Architects provided an overview of the design for this project which is supported by a state Capital Outlay Request, and will create laboratory and classroom space.

On a motion by Regent Darlow, seconded by Regent White, the regents unanimously approved the schematic design for the University of Michigan-Dearborn Science Building and Computer Information Science Building Renovation project as presented.

Varsity Drive Building Dry Collections Relocation Renovations

Kevin Shultis, vice president and studio leader, SmithGroupJJR, provided the schematic design for the relocation of the dry research museum collections, associated lab space and offices.

On a motion by Regent Bernstein, seconded by Regent Richner, the regents unanimously approved the schematic design for the Varsity Drive Building Dry Collections Relocation Renovations project as presented.

School of Nursing New Building

On a motion by Regent Darlow, seconded by Regent Diggs, the regents unanimously approved the School of Nursing New Building project for bids and awarding construction contracts providing that bids are within the approved budget.

University of Michigan-Dearborn Fairlane Center Renovations

On a motion by Regent Diggs, seconded by Regent Newman, the regents unanimously approved the University of Michigan-Dearborn Fairlane Center Renovations project as described, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

University of Michigan Hospitals and Health Centers, University Hospital, Ethylene Oxide Sterilizers Replacement

On a motion by Regent Diggs, seconded by Regent Newman, the regents unanimously approved the University of Michigan Hospitals and Health Centers University Hospital Ethylene Oxide Sterilizers Replacement project as described, authorized commissioning the architectural firm of Project & Design Management for its design, and authorized issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Conflict of Interest Items

President Coleman said the agenda includes 11 conflict of interest items, each of which requires six votes for approval, and which would be approved via a single motion.

On a motion by Regent White, seconded by Regent Ilitch, the regents unanimously approved the following 11 items:

Agreement between the University of Michigan and ArborMetrix

The Regents unanimously approved an option agreement with ArborMetrix (the “Company”) to provide and implement a measurement and reporting platform to support the quality improvement initiative entitled the Michigan Breast Oncology Quality Initiative (MiBOQI).

Because Drs. John Birkmeyer and Justin Dimick, University of Michigan employees, are also president and cofounder, respectively, of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and its Department of Surgery and ArborMetrix.
2. The agreement will provide the University with software licensing, maintenance, and analytical tools to support the quality improvement initiative entitled the Michigan Breast Oncology Quality Initiative (MiBOQI). The term of agreement shall begin on or about 4/01/2013 and end on 03/31/2016. One-time fees for implementation will not exceed \$150,000. In addition, ArborMetrix will be paid an on-going subscription fee of \$175,000 annually for three years. The total term value of the agreement is \$675,000.
3. The pecuniary interests of Drs. Birkmeyer and Dimick arise from their ownership interest in ArborMetrix.

Agreement between the University of Michigan and Wars of Other Men, LLC

The Regents unanimously approved an agreement with Wars of Other Men, LLC (the “Company”) to create and edit two videos titled Live Well and MADC Welcome.

Because Michael Zawacki, University of Michigan employee, is also owner of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and its Michigan Alzheimer's Disease Center and Wars of Other Men.
2. The agreement is for the creation and editing of 2 videos, Live Well and MADC Welcome video. The cost of both projects is \$3,000, which is well below industry standards for similar work.
3. The pecuniary interest arises from the fact that University of Michigan employee, Michael Zawacki, is also the owner of Wars of Other Men.

Authorization for the University of Michigan to transact with Michigan Precision Instruments, LLC

The Regents unanimously approved an agreement with Michigan Precision Instruments, LLC (the "Company") to purchase components for a Custom Alpha and Beta pain tester prototype.

Because Toby Donajkowski, University of Michigan employee, is the owner of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and its Anesthesiology Department and Michigan Precision Instruments.
2. The agreement is for the purchase of components for a Custom Alpha and Beta pain tester prototype used for research and conducted at the Chronic Pain and Fatigue Research Center. This is a one-time purchase at a cost of \$580.
3. The pecuniary interest arises from the fact that University of Michigan employee, Toby Donajkowski, is also the owner of Michigan Precision Instruments, LLC.

Authorization for the University to transact with Tish Holbrook Design

The Regents unanimously approved an agreement with Tish Holbrook Design (the "Company") to create their annual newsletter for the Michigan Sweetland Center for Writing.

Because Tish Holbrook, University of Michigan employee, is also owner of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and its Sweetland Center for Writing and Tish Holbrook Design.
2. The agreement is to design and typeset a 16-page document for the Sweetland Annual Newsletter. The supplier has estimated the work to take approximately 18 hours at a rate of \$36 per hour for a total of \$648.
3. The pecuniary interest of Tish Holbrook arises from her ownership interest in Tish Holbrook Design.

Authorization for the University to contract with Newline Builders

The Regents unanimously approved an agreement with Newline Builders (the “Company”) for the fabrication and purchase of prototype temperature sensor hardware and circuitry.

Because Frederic Bayoff, University of Michigan employee, is also owner of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and its Department of Human Genetics and Newline Builders
2. The proposed contract is for delivery of thirty (30) sensors within the calendar year of 2013 at a total cost not to exceed \$45,000.
3. The pecuniary interest of Frederic Bayoff arises from his ownership interest in Newline Builders.

Research Agreement between the University of Michigan and Brio Device LLC

The Regents unanimously approved an agreement with Brio Device LLC (the “Company”) to support a Research Agreement with the university to develop hardware components and datasets to recognize anatomical structures to guide intubation, and eventually to develop a guided control system that would help doctors perform emergency intubation safely (ORSP #12-PAF06208).

Because Drs. Laura L. McCormick, Sabina Siddiqui, and Douglas Mullen, University of Michigan employees, are also partial owners of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and Brio Device LLC.
2. The terms of the agreement conform to University policy. Drs. Lee and Healy will co-direct the project over an eight (8) month period and the amount of funding support is \$69,141. Since research projects are often amended, this agreement will include provisions for changes in the time, amount and scope of the project. In the case of such proposed amendment, University procedures for approval of the terms and conditions governing the amended work will be followed and additional conflict of interest review will be done as appropriate.
3. The pecuniary interests of Drs. McCormick, Siddiqui, and Mullen arise from their ownership interest in Brio Device LLC.

Option Agreement between the University of Michigan and Avert-AF, LLC

The Regents unanimously approved an agreement with Avert-AF, LLC (the “Company”) to obtain a license agreement with the University’s rights associated with the following technology: UM OTT File No. 5576, entitled: “Prevention of Atrial Fibrosis and Persistent Atrial Fibrillation.”

Because Professors Jose Jalife and Bertram Pitt, University of Michigan employees, are also partial owners of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and Avert-AF, LLC.
2. Agreement terms include granting the Company an option to negotiate an exclusive license with the right to grant sublicenses. The Company will pay an option fee and ongoing patent costs. The University may receive equity in the Company at license, along with the right to purchase more equity. The University will retain ownership of the optioned technology and may continue to further develop it and use it internally. No use of University services or facilities nor any assignment of 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.

3. The pecuniary interests of Drs. Jalife and Pitt arise from their ownership interest in Avert-AF, LLC.

Option Agreement between the University of Michigan and Crossbar, Inc.

The Regents unanimously approved an agreement with Crossbar, Inc. (the “Company”) to obtain a option agreement with the University’s rights associated with the following technology: UM OTT File No. 5306, entitled: “Complementary Resistive Switching Based on Single Resistive Memory Devices.”

Because Professor Wei Lu, University of Michigan employee, is also partial owner of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and Crossbar, Inc.
2. Agreement terms include granting the Company an option to obtain an exclusive license with the right to grant sublicenses. The Company will pay a royalty on sales and reimburse patent costs. Should the University and Company, along with the right to purchase more equity. The University will retain ownership of the 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, 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.
3. The pecuniary interest of Dr. Lu arises from his ownership interest in Crossbar, Inc.

Master Agreement between the University of Michigan and NanoBio Corporation

The Regents unanimously approved an agreement with NanoBio Corporation (the “Company”) to support a research project directed by Dr. James R. Baker, Jr., and use facilities of the University for projects related to research and development of technologies including nanoemulsion.

Because Dr. Baker, University of Michigan employee, is also partial owner of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and NanoBio Corporation.
2. The University will enter into an Amendment to extend the Master Agreement with the Company that will continue to cover standard procedures for performance of projects as well as provisions for implementing University and federal policies related to intellectual property and publication. The Amendment will cover a second five-year period with a total authorization not to exceed \$5,000,000. The University will continue to use standard sponsored project accounting procedures to determine the cost of each project under this Master Agreement. Budgets will be reviewed and approved by authorized representatives of each department and school/college when projects are to be performed. The Master Agreement as amended will continue to allow the University and the Company to specify projects that the University will conduct under the terms of the Master Agreement. Since sponsored projects are often amended, the Master Agreement continues to include provisions for changes in the time, amount and scope of each supported project. University procedures for approval of each project will be followed and additional review by the Medical School Conflict of Interest Board will be done on a project-by-project basis.
3. The pecuniary interests of Dr. Baker arise from his ownership interest in NanoBio Corporation.

License Agreement between the University of Michigan and PhasiQ, LLC

The Regents unanimously approved an agreement with PhasiQ, LLC (the “Company”) to obtain a license agreement with the University’s rights associated with the following technologies: UM File No. 3845, entitled: “Spatio-Temporally Controlled Reagent Delivery: Gene Expression and Gene Silencing in Mammalian Cells;” UM OTT File No 4642, entitled: “Dehydrated Aqueous Polymen Solutions;” UM OTT File No. 4710, entitled: “Homogeneous Immunoassay Microarrays for Multiplexed Biomarker Analysis.”

Because Dr. Shuichi Takayama, Ms. Arlyne Simon and Mr. Joshua White, University of Michigan employees, are also partial owner of the Company, this agreement falls under the State

of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and PhasiQ, LLC.
2. Agreement terms include granting the Company an exclusive license with the right to grant sublicenses. The Company will pay a royalty on sales and reimburse patent costs. The University may receive equity in the Company, along with the right to purchase more equity. 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, 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.
3. The pecuniary interests of Dr. Takayama, Ms. Simon and Mr. White arise from their ownership interest in PhasiQ, LLC.

Subcontract Agreement between the University of Michigan and ResolveAble Inc.

The Regents unanimously approved an agreement with ResolveAble Inc. (the “Company”) to enter into a subcontract agreement with the University for the proposal submitted to the National Science Foundation titled: “Professor Prescott I-CORPS” (ORSP #13-PAF01225).

Because Professor James Prescott, University of Michigan employee, is also chief research officer of the Company, this agreement falls under the State of Michigan Conflict of Interest Statute. The following information is provided in compliance with statutory requirements:

1. Parties to the agreement are the Regents of the University of Michigan and ResolveAble Inc.
2. The terms of the proposed agreement will conform to University policy. Dr. Prescott will serve as the Chief Research Officer at ResolveAble Inc. with a total subcontract of \$14,147.58 that is anticipated to cover a period of six months. Since research projects are often amended, this agreement includes provisions for changes in time, amount, and scope of the supported project. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

3. The pecuniary interest of Dr. James Prescott arises from his interest in ResolveAble Inc.

Regents' Meeting Schedule for 2014, 2015 and 2016

Vice President and Secretary Sally Churchill said that this new schedule includes rotating meeting sites and includes Grand Rapids and Detroit, as well as Flint and Dearborn. On a motion by Regents Darlow, seconded by Regent Ilitch, the regents unanimously approved the meeting schedule for 2014, 2015 and 2016.

Approval to offer new Master of Health Professions Education program to be coordinated by the Medical School

On a motion by Regent Bernstein, seconded by Regent Ilitch, the regents unanimously approved the master of Health Professions Education program to be coordinated by the Medical School.

University of Michigan Health System (UMHS) Washtenaw Community Health Organization (WCHO) Appointments to the SCHO Board of Directors

On a motion by Regent White, seconded by Regent Richner, the regents unanimously approved the committee appointments as presented.

Public Comments

Regents heard comments from the following individuals on the topics listed: Lauren Roth, student, on student suicide prevention; Connor Caplis, student, on tuition equality; Lauren Beriont, student, on institutional support for the UM Sustainable Food Program; Ramiro Alvarez, student, on tuition equality and LGBT*Q youth; and Nabeel Kasim, student, on the university ordinance on skateboards and long boards.

Regent Richner asked that the Regents' Ordinance (Article 8, section 1 and 2) be reviewed to determine if a revision is needed, to differentiate between skateboards and long boards.

Adjournment

There being no further business, the meeting was adjourned at 5:29 p.m. The next meeting will take place on May 16, 2013 on the Dearborn Campus.