

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Subcontract Agreement between the University of Michigan and PreDxion Bio, Inc.

Action Requested: Authorization to enter into Agreement

Preamble:

A statutory conflict of interest situation was identified by the Office of Research and Sponsored Projects while reviewing the Proposal Approval Form which 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 the Board and agreed to by the parties involved.

This proposed agreement (“Agreement”) falls under the State of Michigan Conflict of Interest Statute because Professor Timothy Cornell is an employee of the University of Michigan (“University”), and a partial owner and the Chief Executive Officer of PreDxion Bio, 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:

Timothy Cornell, MD, PhD, an Associate Professor in the Department of Pediatrics and Communicable Diseases, is the partial owner and Chief Executive Officer of a for-profit company called PreDxion Bio, Inc. (the “Company”). The Company wishes to fund a NIH (prime) STTR Phase I project entitled “Validating the MicroKine Assay for Use in Identifying Personalized Precision Therapies for Pediatric Sepsis” (ORSP# 16-PAF05754) in the Department of Internal Medicine under the direction of Dr. Cornell. The purpose of this project is to obtain and process samples to be provided to the Company to validate the MicroKine assay which was developed at the University of Michigan.

Agreement Terms:

The terms of the Agreement conform to University policy. The period of performance for the project is approximately six (6) months. The amount of funding support will not exceed \$76,357. Since research projects are often amended, this agreement includes a provision for changes in time and scope. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

Impact of the Agreement:

The Agreement will support an effort by Dr. Cornell to use his expertise and University laboratory, as well as other University resources, to evaluate the viability and use of

an important assay for the early detection of sepsis leading to more effective treatment and outcomes.

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 University's entering into this Agreement with PreDxion Bio, Inc.

Respectfully submitted,



S. Jack Hu  
Vice President for Research

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