

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents
September 17, 2009

ACTION REQUEST

Subject: Material Transfer Agreement between the University of Michigan and NovoTyr Therapeutics, Ltd.

Action Requested: Approval of Material Transfer Agreement

Preamble:

A statutory conflict of interest situation was identified by the Division of Research, Development and Administration while reviewing the Material Transfer Form. This 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.

The proposed material transfer agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professor Moshe Talpaz, is both an employee of the University of Michigan ("University") and sits on the Board of Directors of NovoTyr Therapeutics, Ltd. 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. Moshe Talpaz is a Professor in the Department of Internal Medicine and a member Board of Directors of a for-profit company called NovoTyr Therapeutics, Ltd. ("Company"). Dr. Talpaz receives no compensation from and has no ownership interest in the Company. The Company desires to provide research materials requested by Dr. Luke Peterson, a Research Investigator in the Department of Internal Medicine of the Medical School.

Nature of the Agreement:

The Company has received a request from Dr. Peterson to acquire certain compounds to be tested for their inhibitory effect on cancer cells. The Company wishes to enter into a material transfer agreement with the University to enable Dr. Peterson to conduct confirmatory testing to the compounds. Dr. Talpaz will have no role in the proposed research by Dr. Peterson.

Agreement Terms:

The terms of the Agreement conform to University policy.

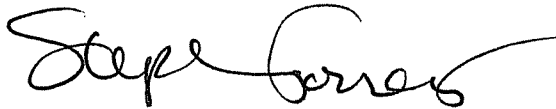
Impact of the Agreement:

The Agreement will support an effort by Dr. Peterson to use his expertise and his University laboratory, as well as other University resources to facilitate an evaluation of the inhibitory effects of certain novel Company compounds on various cancer cells.

Recommendation:

This Agreement has been reviewed and approved by the Medical School Conflict of Interest Board. In light of the disclosure made in this document and our finding that the agreement was negotiated in conformance with standard University practices, I recommend that the Board of Regents approve of the University's entering into this Material Transfer Agreement with NovoTyr Therapeutics, Ltd.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stephen R. Forrest". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Stephen R. Forrest
Vice President for Research

September 2009