

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Research Agreement between the University of Michigan and NanoFlex Power Corporation

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 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 the Committee and agreed to by the parties involved.

This proposed research agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professor Stephen Forrest is an employee of the University of Michigan ("University"), and a partial owner of NanoFlex Power Corporation ("Nanoflex"). 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. Stephen Forrest, a Professor of Electrical Engineering and Computer Science, Material Science and Engineering, College of Engineering and Professor of Physics, College of Literature, Science, and the Arts, is the partial owner of a for-profit company called NanoFlex Power Corporation (the "Company"). The Company wishes to fund a project entitled "Low-Cost and High-Efficiency Thin-Film GaAs Solar Cells for Building Integrated and Building Applied Photovoltaics" (ORSP 16-PAF00781) in the Department of Electrical Engineering and Computer Science under the direction of Dr. Forrest. The purpose of this project is to advance research in the area of reduced cost manufacturing for thin-film solar power collection and advance developments in the area of passive, thin-film, solar concentrator technologies.

Agreement Terms:

The terms of the Agreement conform to University policy. The period of performance for the project is approximately twelve (12) months. The amount of funding support will not exceed \$34,999. 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. Forrest to use his expertise and University laboratory, as well as other University resources to advance research in the area of reduced cost manufacturing for thin-film solar power collection and advance developments in the area of passive, thin-film, solar concentrator technologies.

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 University's entering into this Agreement with NanoFlex Power Corporation.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'S. Jack Hu', is positioned above the printed name.

S. Jack Hu
Interim Vice President for Research

October 2015