

ACTION REQUEST

Subject: Subcontract Agreement between the University of Michigan and Biocrede, 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 UMOR Conflict of Interest Review Committee. A plan for management of the possible risks associated with any conflicts of interest was developed and approved by the Committee and agreed to by the parties involved.

The proposed agreement ("Agreements") falls under the State of Michigan Conflict of Interest Statute because Dr. Hao Chen is an employee of the University of Michigan ("University"), and an officer and a partial owner of Biocrede, 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:

Dr. Chen, a Research Investigator in the Department of Biomedical Engineering, College of Engineering, is an officer and a partial owner of a for-profit company called Biocrede, Inc. (the "Company"). The Company wishes to fund an NIH (prime) SBIR Phase II project entitled: "Advanced Bactericidal Urinary Catheters Based on Electromodulated Nitric Oxide Release Phase II" (ORSP# 14-PAF05545) in the Department of Chemistry, College of Literature, Science and the Arts, under the direction of Dr. Mark Meyerhoff. The purpose of Phase II is to continue to support the Company to enhance anti-microbial properties that reduce the risk of urinary tract infections for longer periods of time.

Agreement Terms:

The terms of the Agreement will conform to University policy. The period of performance for the project is approximately twelve (12) months. The amount of funding support from Company will not exceed \$65,000. Since research projects are often amended, this agreement includes provisions for changes in time, amount, and scope. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

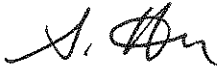
Impact of the Agreement

The Agreement will support an effort by Dr. Meyerhoff to use his expertise and University laboratory, as well as other University resources to further examine the possibility of extending the time of the NO release to enhance the anti-microbial properties of catheters.

Recommendation:

This matter has been reviewed and approved by the UMOR Conflict of Interest Review Committee. In light of this disclosure and our findings 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 Agreement with Biocrede, Inc.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'S. Hu', written in a cursive style.

S. Jack Hu
Interim Vice President for Research

November 2014