

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

REQUEST FOR ACTION

Subject: Regental Action Under the State of Michigan Conflict of Interest Statute

Action Requested: Authorize Execution of Investment Agreements Under the MINTS Program for Omniscient Inc.

Background

In December 2011, the Board of Regents approved guidelines for the MINTS ("Michigan Investment in New Technology Startup") program.

The proposed investment agreements (the "Agreements") fall under the State of Michigan Conflict of Interest Statute because the listed Interested Individuals are both employee of the University and have a sufficient pecuniary interest in the Agreements as partial owners of the company. Furthermore, one Interested Individual is also a member of the Board of Directors. 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 Board of Regents.

The parties to the Agreements include the University and the entity listed below. The University will receive an equity interest in the entity in return for its investment(s).

No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreements. Agreements standard for venture capital investing will be executed.

The Investment Office is seeking approval for financing agreements up to a total of \$5 million in potential investments (through one or more rounds of financing) under MINTS for the following startup:

Omniscient Inc., founded in 2016 and headquartered in Saratoga, CA, develops a remotely controlled sensor monitoring solution which can distinguish between different volatile organic compounds (VOCs) in real time and provide the concentration levels of each VOC along with cloud-based analytics. The technology enables users to take corrective action as needed.

Electrical Engineering and Computer Science Department

Interested Individuals:

Yogesh B. Gianchandani, Ph.D., Professor

Yutao Qin, Ph.D., Assistant Research Scientist

We believe state law requirements have been met with the disclosure of the interest and formal appointment arrangements with the University of Michigan.

We recommend that the Board of Regents authorize execution of agreements between the University of Michigan and Omniscient Inc., as set forth above.

Respectfully submitted,

Kevin P. Hegarty
Executive Vice President and
Chief Financial Officer

December 2018