

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents

February 18, 2010

ACTION REQUEST

Subject: Non-Disclosure Agreement between the University of Michigan and Nanocerox, Inc.

Action Requested: Approval of Non-Disclosure Agreement

Preamble:

A statutory conflict of interest situation was identified by the Office of Technology Transfer while reviewing the technology transfer agreement. This then triggered a review by the OVPR 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 this Committee and agreed to by the parties involved.

This proposed non-disclosure agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Dr. Richard Laine is an employee of the University of Michigan and is a partial owner of Nanocerox, Inc. 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. Richard Laine, a Professor in Materials Science and Engineering and Professor of Macromolecular Science and Engineering, College of Engineering, is a partial owner of a for-profit company called Nanocerox, Inc. ("Company"). The Company was formed to commercialize nanopowders and advanced ceramics and has licensed a number of technologies from the University. The Company wishes to evaluate new technologies being developed at the University and will, therefore, enter into a non-disclosure agreement to maintain the information provided to them as confidential. Dr. Laine is not an inventor nor is he involved in the technologies to be disclosed to Nanocerox, Inc.

The Company desires to learn more about the following technology with the potential goal of obtaining a license to commercialize it:

OTT File Number 4531, entitled: "Magneto-Electric Process for Conversion of Optical to Electrical Energy" (Stephen Rand and William Fisher)

Parties to the Agreement:

The Regents of the University of Michigan and Nanocerox, Inc.

Agreement Terms:

Agreement terms provide for how the information is disclosed to the parties, who may review the information at both parties and for what purposes the information may be used.

Pecuniary Interest:

The pecuniary interest of Dr. Richard Laine arises from his ownership interest in Nanocerox, Inc.

Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of a non-disclosure agreement. The Company will review the information to determine whether or not it wishes to pursue further collaboration or licensing on the technology.

Recommendations:

This matter has been reviewed and approved by the OVPR 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 Agreement between the University and Nanocerox, Inc.

Respectfully Submitted,



Stephen R. Forrest
Vice President for Research

February 2010