

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents

February 17, 2011

ACTION REQUEST

Subject: License Agreement between the University of Michigan and Omni MedSci, Inc.

Action Requested: Approval of License Agreement

Preamble:

A statutory conflict of interest situation was identified by the Office of Technology Transfer while reviewing the technology transfer agreement that 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 in this plan.

This proposed license agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professor Islam is both an employee of the University of Michigan ("University") and a partial owner of Omni MedSci, 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. Mohammed Islam, a professor in EECS, is the partial owner of a for-profit company called Omni MedSci, Inc. (the "Company"). The Company was formed recently to commercialize medical applications of certain laser technologies and desires to license from the University of Michigan the University's rights associated with the following technology:

UM OTT File No. 1521, entitled: "Method and system for generating a broadband spectral continuum, method of making the system and pulse-generating system utilizing same" (Islam, George Nowack and Jaeyoun Kim)

The Office of Technology Transfer selected the Company as a University partner and negotiated the terms of the proposed Agreement in accordance with University policy and its accepted licensing principles.

Parties to the Agreement:

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

Agreement Terms Include:

Agreement terms include granting the Company an exclusive license with the right to grant sublicenses. The Company will pay a royalty on sales and reimburse patent costs. The University will retain ownership of the licensed

technology and may continue to further develop it and use it internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreement. Standard disclaimers of warranties and indemnification apply, and the Agreement may be amended by consent of the parties. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

Pecuniary Interest:

The pecuniary interests of Dr. Islam arise from his ownership interest in Omni MedSci, Inc.

Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of a world-wide exclusive license agreement for patents related to UM OTT File No. 1521 for all fields of use.

Omni MedSci, Inc. will obtain use and commercialization rights to the above listed University 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 Omni MedSci, Inc.

Respectfully Submitted,



Stephen R. Forrest  
Vice President for Research

February 2011