

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Subcontract Agreement between the University of Michigan and MDI Therapeutics, 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 Medical School Conflict of Interest Board. A plan for management of the possible risks associated with the conflict of interest was then developed and approved by the Board and agreed to by the parties involved.

This proposed agreement (“Agreement”) falls under the State of Michigan Conflict of Interest Statute because Professor Daniel A. Lawrence and Dr. Enming Su are employees of the University of Michigan (“University”), and partial owners of MDI Therapeutics, 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:

Daniel A. Lawrence, PhD, a Professor in the Department of Internal Medicine – Cardiology, and Enming Su, PhD, an Associate Research Scientist in the Department of Internal Medicine – Cardiology, are partial owners of a for-profit company called MDI Therapeutics, Inc. (the “Company”). The Company wishes fund an NIH (prime) SBIR Phase II project entitled “Preclinical development of a first in class therapeutic for treating idiopathic pulmonary fibrosis – Phase II” (ORSP #20-PAF03749) in the Department of Internal Medicine – Cardiology, under the direction of Dr. Lawrence. The purpose of this project is to examine the action of MDI-2517 in the treatment of pulmonary fibrosis, which will be performed *in vitro* in cell culture and in mouse models of pulmonary fibrosis.

Agreement Terms:

The terms of the Agreement conform to University policy. The period of performance for the project is approximately two (2) years. The amount of funding support will not exceed \$275,436. Since research projects are often amended, this agreement includes provisions 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. Lawrence to use his expertise and University laboratory, as well as other University resources, to examine the action of MDI-2517 in the treatment of pulmonary fibrosis.

Recommendations:

This matter has been reviewed and approved by the Medical School Conflict of Interest Board. 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 MDI Therapeutics, Inc.

Respectfully submitted,



Rebecca Cunningham
Interim Vice President for Research

February 2020