

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Research Agreement between the University of Michigan and Cour Pharmaceuticals Development Co., 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 the conflict of interest was then developed and approved by the Committee and agreed to by the parties involved.

This proposed research agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professor Lonnie Shea is an employee of the University of Michigan ("University"), and a partial owner of Cour Pharmaceuticals Development Co., 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. Lonnie Shea, a Professor and Chair in the Department of Biomedical Engineering, is a partial owner of a for-profit company called Cour Pharmaceuticals Development Co., Inc. (the "Company"). The Company wishes to fund a project entitled "TIMP-BOOST Program" (ORSP# 16-PAF05160) in the Department of Biomedical Engineering under the direction of Dr. Lonnie Shea. The purpose of this project is to optimize a double emulsion protocol for certain tolerizing immune modifying nanoparticles (TIMP), which nanoparticles may assist in treatment of autoimmune conditions.

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 \$22,000. Since research projects are often amended, this agreement includes a provision 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. Shea to use his expertise and University laboratory, as well as other University resources, to optimize and manufacture a double emulsion protocol for certain tolerizing immune modifying nanoparticles (TIMP), to facilitate treatment of autoimmune conditions.

Recommendations:

This matter has been reviewed and approved by the UMOR 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 University's entering into this Agreement with Cour Pharmaceuticals Development Co., Inc.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'S. Jack Hu', is positioned above the typed name.

S. Jack Hu
Vice President for Research

March 2016