

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

ACTION REQUEST

EXH	MOTION	Maynard
	DIS	McLennan
	ACTION	APPROVED BY THE REGENTS
NO. 12		JUN 16 2005

Subject: Subcontract Agreement between the University of Michigan and NeuroNexus

Action Requested: Authorization to enter into an Agreement

Preamble:

A conflict of interest situation was identified by DRDA while reviewing the Proposal Approval Form which 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 developed by the committee and agreed to by the parties involved in this project.

This proposed Agreement falls under the State of Michigan Conflict of Interest Statute because Dr. Daryl Kipke, Dr. David J. Anderson and Ms. Jammie Hetke are Co-Founders of NeuroNexus and employees of the University. Dr. Kipke is also Acting President of NeuroNexus. 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.

Background:

The Company wishes to provide a contract to the University to enable the University to provide Specialized Training in Passive Probe Processing. Dr. Kensall Wise, Professor of Electrical Engineering and Computer Science, will serve as the Principal Investigator on the UM project. No conflicted University employees will participate in this project in their capacity as a University employees.

Nature of the Agreement:

The proposed research includes a contract from NeuroNexus to the University to support the training project.

Agreement Terms:

The project at the University is anticipated to cover the period June 1, 2005 through July 31, 2005. The University's standard contract provisions will apply to the University's part of the project. Since agreements are often amended, the contract will include provisions for changes in time, amount, and scope of the project. University procedures for approval of these changes will be followed and additional review by the Conflict of Interest Review Committee will be done as appropriate.

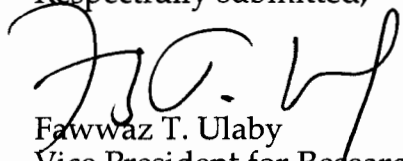
Impact of the Agreement:

The contract from NeuroNexus will allow the University of Michigan to advance the development and understanding of technology licensed by the University to NeuroNexus.

Recommendation:

This Agreement has been reviewed and approved by the OVPR Conflict of Interest Review Committee. In light of this disclosure and our finding that the agreement conforms to standard University practices, I recommend that the Board of Regents approve of the University's entering into this Agreement with NeuroNexus.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'F. Ulaby', is written over the typed name.

Fawwaz T. Ulaby  
Vice President for Research

June 2005