

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Regental Action Under the State of Michigan Conflict of Interest Statute

Action Requested: Authorize Execution of Investment Agreements Under the Accelerate Blue Fund or similar funds managed by Innovation Partnerships for ProbeTruth, Inc., a Michigan corporation (the “Company”).

Background:

In October 2019, the Board of Regents approved the Accelerate Blue Fund (“A-B Fund”), managed by Innovation Partnerships, and its guidelines. Innovation Partnerships also may manage certain funds similar to A-B Fund as approved by formal university processes (together with A-B Fund, such funds, (“Innovation Partnerships Managed Funds”).

The proposed investment agreements (the "Agreements") fall under the State of Michigan Conflict of Interest Statute because the listed Interested Individuals are employees of the University and have sufficient pecuniary interest in the Agreements as partial owners of the company, and/or undertake a senior company officer or board role. The law permits such an Agreement provided it is disclosed to the Board of Regents (“Regents”) of the University and approved in advance by a 2/3 vote of the Board.

No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the Agreement.

If the transaction proceeds, the parties to the Agreements would include the University and the Company, and the University would receive an equity interest or future equity interest in the Company in return for its investment(s). The Agreements would reflect typical venture capital investing documentation.

Innovation Partnerships is seeking approval for financing agreements up to a total of no more than 10% of the total assets under management in the respective Innovation Partnerships Managed Funds in potential investments (through one or more rounds of financing) in the Company. It is understood that, upon approval of this item, Innovation Partnerships Managed Funds will have no obligation to enter into the Agreements or proceed with any investment in the company.

The Company, founded in 2024, provides a deep forgery detector that addresses the growing threat of manipulated media and safeguard against the spread of misinformation, propaganda, and other forms of digital deception.

Interested Individuals:

Khalid Malik, Ph.D., Director of Cyber Security and Professor of Computer Science, College of Innovation and Technology, University of Michigan-Flint.

Mary Joe Cartwright, MBA, Mentor-in-Residence at University of Michigan's Innovation Partnerships.

We believe state law requirements have been met with the disclosure of the interest and formal appointment arrangements with the University of Michigan.

We recommend that the Board of Regents authorize execution of agreements between the University of Michigan and ProbeTruth Inc., as set forth above.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Arthur Lupia", written in dark ink.

Arthur Lupia  
Interim Vice President for Research and Innovation

June 2025