

ACTION REQUEST

Subject: Research Agreement between the University of Michigan and ePack

Action Requested: Authorization to enter into Research 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 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 the Committee and agreed to by the parties involved.

This proposed agreement (“Agreement”) falls under the State of Michigan Conflict of Interest Statute because Professor Khalil Najafi and Mr. Joseph Giachino are employees of the University of Michigan (“University”) and co-founders of ePack. 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. Najafi, a Professor of Electrical Engineering and Computer Science, and Biomedical Engineering, College of Engineering, and Mr. Giachino, a Visiting Scholar in the College of Engineering, are co-founders of ePack (the “Company”). The Company was formed recently to commercialize MEMS structures and packaging technologies.

Agreement Terms:

The terms of the proposed Agreement conform to University policy. Dr. Yogesh Gianchandani, Professor of Electrical Engineering, College of Engineering, will direct the Navy STTR project titled “Novel Temperature and Vibration Tolerant Packaging for Inertial Sensors (MEMS).” Professor Najafi and Mr. Giachino will not be participating in this research project and Professor Gianchandani has no stipulated interest in ePack. The period of performance for the project is approximately 12 months. The amount of funding support will not exceed \$48,113. Since research projects are often amended, these agreements include provisions for changes in time, amount, and scope of each supported project. University procedures for approval of the terms and conditions governing this work will be followed and additional conflict of interest review will be done as appropriate.

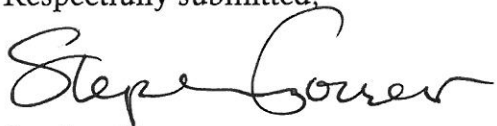
Impact of the Agreement:

This Agreement for the research proposed shows significant potential for further developing the Environmental Resistant Package (ERP), which was originally developed at the University of Michigan under DARPA's Harsh Environment Robust Micromechanical Technology (HERMIT) program.

Recommendation:

This matter has been reviewed and approved by the OVPR Conflict of Interest Review Committee. In light of the disclosures and our finding that the Agreement was negotiated in conformance with standard University practices, I recommend that the Board of Regents approve of the University's entering into this Agreement with ePack.

Respectfully submitted,

A handwritten signature in cursive script that reads "Stephen Forrest".

Stephen Forrest
Vice President for Research

July 2012