

ACTION REQUEST

Subject: License Agreement between the University of Michigan and Accord Biomaterials, Inc.

Action Requested: Approval of License Agreement

Preamble:

A statutory conflict of interest situation was identified by the Office of Technology Transfer while reviewing the technology transfer agreement. This 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 by this Board and agreed to by the parties involved.

This proposed license agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professor Emeritus Robert Bartlett is both an employee of the University of Michigan ("University") and a partial owner of MC3, of which Accord Biomaterials Incorporated (formerly known as MC3 Biomaterials) is a wholly owned subsidiary. 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. Robert Bartlett, a Professor Emeritus in Surgery, is the partial owner of a for-profit company called MC3. MC3 was formed to commercialize nitric oxide (NO) releasing polymers. Its subsidiary, Accord Biomaterials Incorporated, desires to license the following technology from the University:

UM OTT File No. 1937p1c1d1, U.S. Patent Application 12/061,271, entitled:
"Sensor for Detecting Nitrosothiols," filed on 04/02/2008 (Mark Meyerhoff, Wansik Cha)

Parties to the Agreement:

The Regents of the University of Michigan and Accord Biomaterials Incorporated.

Agreement Terms:

Terms include giving Accord Biomaterials Incorporated ("Company") an exclusive license with the right to grant sublicenses to the added technology. The Company will pay a royalty on sales and reimburse patent costs. The University will retain ownership of the licensed technology and may continue to further develop it and use it internally. No use of University services or facilities, nor any assignment of University employees, is obligated or contemplated under the agreement. Standard disclaimers of warranties and indemnification apply, and the contract may be amended by consent of the parties. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

Pecuniary Interest:

The pecuniary interests of Dr. Bartlett arise from his ownership interest in MC3. For this specific file (1937p1c1d1), Dr. Bartlett is not an inventor and will not be considered for any share of revenue received by the University.

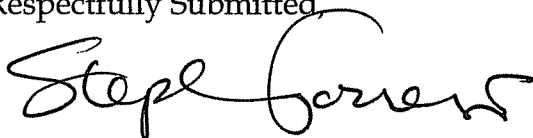
Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of a license agreement for patents related to UM OTT File No. 1937p1c1d1 for all fields of use. The Company will obtain use and commercialization rights to the above listed University technology.

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 License Agreement between the University and Accord Biomaterials Incorporated.

Respectfully Submitted

A handwritten signature in black ink, appearing to read "Stephen R. Forrest". The signature is written in a cursive, flowing style.

Stephen R. Forrest
Vice President for Research

September 2009