

ACTION REQUEST

Subject: Material Transfer Agreement between the University of Michigan and Ecovia Renewables L.L.C.

Action Requested: Approval of Material Transfer Agreement

Preamble:

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

This proposed material transfer agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Associate Professor Xiaoxia (Nina) Lin is both an employee of the University of Michigan ("University") and a partial owner of Ecovia Renewables L.L.C. 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. Nina Lin, an Associate Professor in the Department of Chemical Engineering, is the partial owner of a for-profit company called Ecovia Renewables L.L.C. (the "Company"). The Company was formed to commercialize a proprietary biopolymer mixture for mulching that is non-toxic and eco-friendly and desires to provide back into to Dr. Nina Lin's laboratory certain bio-polymer producing *Bacillus subtilis* strains for the purpose of potentially improving the strains ("Incoming MTA").

The Office of Technology Transfer selected the Company as a University partner and negotiated the terms of the proposed Agreement in accordance with University policy and its accepted principles for material transfer.

Parties to the Agreement:

The Regents of the University of Michigan and Ecovia Renewables L.L.C.

Agreement Terms Include:

Material transfer agreement terms include granting the University the right to use the materials provided by the Company for the above-referenced purposes. The University will not provide the obtained materials to any third party and will provide all the data and results to the Company.

The Company will retain ownership of the materials provided to the University. 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 Agreement 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. Lin arise from her ownership interest in Ecovia Renewables L.L.C.

Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of a material transfer agreement related to UM UFA File No. 15-UFA02971 for University's internal research use.

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 Agreement between the University and Ecovia Renewables L.L.C.

Respectfully submitted,



S. Jack Hu
Interim Vice President for Research

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