

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

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

Action Requested: Authorization for the University to transact with aLight Sciences Inc. (University of Michigan Employees Nils G. Walter, Owner, Stockholder, and Director; David Olson, Owner, Stockholder, and Director; Alexander Johnson-Buck, Owner, Stockholder, and Director; Muneesh Tewari, Owner, Stockholder, and Director).

Background:

The University of Michigan's College of Literature, Science, and the Arts Department of Chemistry seeks approval to transact with aLight Sciences Inc. for the purchase of a used and discounted Olympus IX83 TIRF Microscope System.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Nils Walter is a University employee as a Professor with the College of Literature Arts and Sciences Chemistry Department and would be party to the agreement as a stockholder, owner, and director of aLight Sciences Inc.; Alexander Johnson-Buck, is a University employee as a Research Associate II with the College of Literature Arts and Sciences Chemistry Department and would be party to the contract as a stockholder, owner, and director of aLight Sciences Inc.; David Olson, is a University employee as a Mentor-in-Residence with the Department of Innovative Partnerships and would be party to the contract as a stockholder, owner, and director of aLight Sciences Inc.; Muneesh Tewari, is a University employee as a Professor with the Department of Internal Medicine and would be party to the contract as a stockholder, owner, and director of aLight Sciences Inc.

However, the Statute allows the university to enter into such agreements if the following conditions are met:

- a) The public servant promptly discloses any pecuniary interest in the contract to the official body which has power to approve the purchase, which disclosure shall be a matter of record in its official proceedings.
- b) The purchase is approved by a vote of not less than 2/3 of the full membership of the approving body in open session without the vote of the public servant making the disclosure.
- c) The official body discloses the following summary information in its official minutes:
  - i) The name of each party involved in the contract.

- ii) The terms of the purchase, including duration, financial consideration between the parties, facilities or services of the public entity included in the purchase, and the nature and degree of assignment of employees of the public entity for fulfillment of the purchase.
- iii) The nature of any pecuniary interest.

The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its College of Literature, Science, and the Arts Department of Chemistry and aLight Sciences Inc.
- ii) The agreement is for a one-time purchase at a total cost not to exceed \$42,000. aLight Sciences Inc. will be supplying all the necessary resources and personnel to fulfill this contract. The remaining base contract terms and conditions are typical to those used in Procurement Services standard templates for other similar contracts entered into by the Regents.
- iii) The pecuniary interest arises from the fact that University of Michigan employees, Nils Walter, is a stockholder, owner, and director; Alexander Johnson-Buck, is a stockholder, owner, and director; David Olson, is a stockholder, owner, and director; and Muneesh Tewari, is a stockholder, owner, and director of aLight Sciences Inc.

Nils Walter, Alex Johnson-Buck, David Olson, and Muneesh Tewari have met state law requirements with the disclosure of their pecuniary interest and formal appointment arrangements with the University of Michigan. Requirements, if any, that may be applicable by the supervisors of Nils Walter, Alex Johnson-Buck, David Olson, and Muneesh Tewari, under the Medical School's or OVPR's Conflict of Interest Committee's procedures are separately analyzed and managed.

We recommend that the Board of Regents approve the agreement between the University of Michigan and aLight Sciences, Inc. subject to requirements, if any, that the supervisors of Nils Walter, Alex Johnson-Buck, David Olson, and Muneesh Tewari or the Medical School's or OVPR's Conflict of Interest Committee may impose.

Respectfully submitted,



Geoffrey S. Chatas  
Executive Vice President and Chief Financial Officer

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