

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents
October 14, 2010

ACTION REQUEST

Subject: Option Agreement between the University of Michigan
and Inmatech, Inc.

Action Requested: Approval of Option 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 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 this Committee and agreed to by the parties involved.

This proposed option agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Professor Levi Thompson, Professor Paul Rasmussen (Emeritus), and Dr. Saemin Choi are all employees of the University of Michigan ("University") and partial owners of Inmatech, Inc. 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. Levi Thompson, a professor in Chemical Engineering and Mechanical Engineering, Dr. Paul Rasmussen, an emeritus professor of Chemistry, and Dr. Saemin Choi, a Research Scientist in the Chemical Engineering department, are the partial owners of a for-profit company called Inmatech ("Company"). The Company was formed recently to commercialize carbide and nitride catalysts and asymmetric designs for super capacitors and desires to option the following technology from the University:

UM File No. 4794, entitled: "High Performance Transition Metal Carbide and Nitride Based Asymmetric Super capacitors" (Thompson, Rasmussen, Choi)

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 licensing principles.

Parties to the Agreement:

The Regents of the University of Michigan and Inmatech, Inc.

Option Agreement Terms Include:

Option agreement terms include granting the Company an option to obtain an exclusive license with the right to grant sublicenses. The Company will pay an option fee and

reimburse patent costs during the term of the option. The University will retain ownership of the optioned 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 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 Drs. Thompson, Rasmussen, and Choi arise from their ownership interest in Inmatech, Inc.

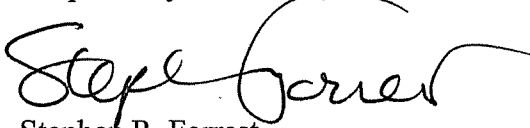
Net Effect:

The Office of Technology Transfer has negotiated and finalized the terms of an option agreement for a world-wide exclusive license agreement for patents related to UM OTT File No. 4794 for all fields of use. The Company will obtain an option for use and commercialization rights to the above listed University technology.

Recommendations:

This matter has been reviewed and approved by the OVPR 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 Inmatech, Inc.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Stephen R. Forrest". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Stephen R. Forrest
Vice President for Research

October 2010