

SUBMITTED BY: STEPHEN M. LANIER, VICE PRESIDENT FOR RESEARCH

**UNIVERSITY CONTRACT FOR SPONSORED RESEARCH WITH
REDOX HEALTHCARE LLC A COMPANY PARTIALLY OWNED BY A
COLLEGE OF LIBERAL ARTS AND SCIENCES FACULTY MEMBER**

RECOMMENDATION

The Administration recommends the Board of Governors authorize the President or his designee to contract with Re-Dox Healthcare LLC, a Delaware Limited Liability Company and the parent holding company of Penrose Therapeutix, LLC which has a primary place of business located at 15900 Michigan Avenue Dearborn, Michigan 48126, to enter into a sponsored research agreement to perform a research project titled, "Elucidating Mode of Action for a Novel Combination Therapy for Cancer."

BACKGROUND

Jeremy Kodanko, Ph.D., associate professor and associate chair, Department of Chemistry, and Izabela Podgorski, Ph.D., associate professor, Department of Pharmacology, School of Medicine, have a long-term collaboration in the field of cancer therapeutics. Together, they have expertise in organic, analytical and medicinal chemistry, biochemistry, cancer biology and bioimaging.

Penrose Therapeutix has Drs. Kodanko and Podgorski as scientific consultants to the company. Dr. Kodanko is also a scientific member and stakeholder in Re-Dox Healthcare, LLC, the parent holding company of Penrose Therapeutix.

Penrose Therapeutix LLC is a biotechnology company developing a novel combination therapy for the treatment of cancer. Penrose Therapeutix has proposed a sponsored research agreement with Wayne State University to investigate the mode of action related to the combination therapy. The proposed research will encompass analysis of patient samples and investigation of the drug combination mode of action, including equipment for chemical analyses, facilities for in vitro and in vivo investigations and imaging.

Michigan Conflict of Interest law requires specific sunshine procedures in order for a University employee, or a company owned by a University employee, to contract directly or indirectly with the University:

(A) The employee must disclose any pecuniary interest in the contract to the Board and the disclosure must be made a matter of record in the Board's proceedings.

(B) The contract must be approved by a vote of not less than two-thirds of the full membership of the Board in open session.

- (C) The Board's minutes must report:
- (i) The name of each party involved in the contract.
 - (ii) The terms of the contract, including duration, financial consideration between parties, facilities or services of the public entity included in the contract, and the nature and degree of assignment of employees of the public entity for fulfillment of the contract.
 - (iii) The nature of any pecuniary interest.

If the Board approves this Recommendation, the minutes will report as follows:

The Board of Governors authorized the President or his designee to enter into an agreement with Re-Dox Healthcare LLC for a sponsored research contract totaling \$364,315 (combined direct and indirect costs) with Wayne State University.

- (i) The parties involved in the contract are Wayne State University, Penrose Therapeutix, LLC and Re-Dox Healthcare, LLC.
- (ii) The contract will be a sponsored research agreement providing financial support for the research to be conducted by Dr. Jeremy Kodanko and Dr. Izabela Podgorski. The contract will have a term of two years with an estimated start date of September 2016. Wayne State University facilities and personnel will be utilized during the project including support of a full time graduate student, post-doctoral researcher and partial summer salary for the professors. Inventions developed under the agreement created by Wayne State employees will be owned by Wayne State University. Penrose Therapeutix will have an option to acquire a license to any inventions developed by WSU employees in the course of performing the sponsored research. The agreement will also be subject to any required conflict of interest management plans developed by the Conflict of Interest Committee.
- (iii) Dr. Kodanko is a 2% shareholder in Re-Dox Healthcare, LLC.