

MICHIGAN STATE
UNIVERSITY

April 3, 2023

MEMORANDUM

To: Committee on Audit, Risk and Compliance
From: Douglas A. Gage, Ph.D. *Douglas A. Gage*
Vice President for Research and Innovation
Subject: Approval of License Agreement Terms: Great Lakes Crystal Technologies Inc.

RECOMMENDATION

The Trustee Committee on Audit, Risk and Compliance recommends that the Board of Trustees approve a contract between Michigan State University and Great Lakes Crystal Technologies Inc. (GLCT), a Delaware corporation, in which MSU faculty member Timothy Grotjohn holds a financial interest.

RESOLUTION

BE IT RESOLVED, that the Board of Trustees of Michigan State University hereby approves an exclusive license agreement with Great Lakes Crystal Technologies Inc., consistent with earlier public notice and with a License Agreement Term Sheet now presented to the Board for inclusion in its minutes.

BACKGROUND

The terms of a license agreement are now presented for Board approval. Dr. Grotjohn is a tenured Professor in the Department of Electrical and Computer Engineering (ECE) and a co-founder, officer, equity holder, and technical advisor to GLCT. GLCT produces diamonds for electronic, detector, sensor, laser, X-4a7 and quantum applications. Both MSU and GLCT own intellectual property to research conducted under an SBIR grant from NASA.

At the February 2023 Board of Trustees meeting, the Board approved an Inter-Institutional Agreement (IIA) with GLCT, through which GLCT took the lead in patent MSU agreed to share in the costs. This license agreement covers other MSU patents GLCT now uses under a non-exclusive license. This new license would convert that use to exclusive.

The attached License Agreement Term Sheet summarizes the agreement that MSU has negotiated with Great Lakes Crystal Technologies Inc.

cc: Board of Trustees, S. Fletcher, T. Woodruff, B. Quinn, M. Woo, T. Jeitschko, N. Beauchamp, M. Zeig, J. Swartz, L. Kriser



Office of
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LICENSE AGREEMENT TERM SHEET

Party: Great Lakes Crystal Technologies Inc.

Project Description: Exclusive License Agreement

Term: Execution until patent expiration

Financial Terms: Cash payment of license fee, reimbursement of patent expenses and royalties on product sales

Services Provided: By MSU to company: none

By company to MSU: none

The parties may add or remove technologies under the agreement, including improvements generated under a separate sponsored research agreement, provided the change does not affect the financial consideration of the parties or the nature or extent of any pecuniary interest of MSU personnel.

**Use of University Facilities/
Personnel:** None

Organization Type and Domicile: Delaware Corporation

Personnel Interest: MSU Employee, Professor Timothy Grotjohn, has stock and stock options in GLCT equaling approximately 40%-50% ownership.

MICHIGAN STATE UNIVERSITY

April 3, 2023

MEMORANDUM

To: Committee on Audit, Risk and Compliance
From: Douglas A. Gage, Ph.D. *Douglas Gage*
Vice President for Research and Innovation
Subject: Approval of Service Agreement Terms: Great Lakes Crystal Technologies Inc.

RECOMMENDATION

The Trustee Committee on Audit, Risk and Compliance recommends that the Board of Trustees approve a contract between Michigan State University and Great Lakes Crystal Technologies Inc., a Delaware corporation, in which MSU faculty Timothy Grotjohn holds a financial interest.

RESOLUTION

BE IT RESOLVED, that the Board of Trustees of Michigan State University hereby approves a service agreement with Great Lakes Crystal Technologies Inc. (GLCT), consistent with earlier public notice and with a Service Agreement Term Sheet now presented to the Board for inclusion in its minutes.

BACKGROUND

The terms of a service agreement are now presented for Board approval. Dr. Grotjohn is a tenured Professor in the Department of Electrical and Computer Engineering (ECE) and a co-founder, officer, equity holder, and technical advisor to GLCT. GLCT produces diamonds for electronic, detector, sensor, laser, X-4a7 and quantum applications. Both MSU and GLCT own intellectual property to research conducted under an SBIR grant from NASA.

At the February 2023 Board of Trustees meeting, the Board approved an Inter-Institutional Agreement (IIA) with GLCT, through which GLCT took the lead in patent from an invention that arose from a NASA STTR grant. This service agreement is for work that will be done under a new Phase 2 STTR award from the Department of Energy (DOE). Some of the base technologies involved in this grant are included in the current non-exclusive license agreement with GLCT, but this service agreement is limited to the sub-contract to MSU to do the research work.

The attached License Agreement Term Sheet summarizes the agreement that MSU has negotiated with Great Lakes Crystal Technologies Inc.

cc: Board of Trustees, T. Woodruff, M. Woo, T. Jeitschko, N. Beauchamp,
M. Zeig, J. Swartz, B. Quinn, L. Kriser



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SERVICE AGREEMENT TERM SHEET

Party: Great Lakes Crystal Technologies Inc.

Project Description: Service Agreement

Term: Two years

Financial Terms: Two-year Phase II STTR effort totaling \$419,889 to MSU

Services Provided: By MSU to company: MSU will perform laser writing and annealing experiments on diamond materials developed by GLCT and will characterize those materials via advanced optical measurements.

By company to MSU: none

Use of University

Facilities/Personnel: Prof. Johannes Pollanen will perform laser writing and annealing experiments on diamond materials developed by GLCT and will characterize those materials via advanced optical measurements.


Organization Type and Domicile: Delaware Corporation

Personnel Interest: MSU Employee, Professor Timothy Grotjohn, has stock and stock options in GLCT equaling approximately 40%-50% ownership.

MICHIGAN STATE
UNIVERSITY

April 10, 2023

MEMORANDUM

To: Committee on Audit, Risk and Compliance
From: Douglas A. Gage, Ph.D. 
Vice President for Research and Innovation
Subject: Approval of Option Agreement Terms: *KOPESS AgTech, LLC*

RECOMMENDATION

The Trustee Committee on Audit, Risk and Compliance recommends that the Board of Trustees approve a contract between Michigan State University and *KOPESS AgTech, LLC*, a Michigan LLC, in which MSU Professor Kyung-Hwan Han and his family hold a financial interest.

RESOLUTION

BE IT RESOLVED, that the Board of Trustees of Michigan State University hereby approves an option agreement with *KOPESS AgTech, LLC*, consistent with earlier public notice and with the Option Agreement Term Sheet now presented to the Board for inclusion in its minutes.

BACKGROUND

The terms of an option agreement are now presented for Board approval. Professor Han and his wife are the founders of *KOPESS AgTech, LLC*. There is a pending research project funded by *KOPESS AgTech, LLC*, on which Dr. Han will be the principal investigator for the company. Two other faculty members from the Department of Plant, Soil, and Microbial Science will be the Principal Investigator and Co-Investigator on the sub-award to MSU. Dr. Han will not be paid for his work on this award. He is on a 9-month appointment and will work on this project during the summer months. Dr. Han's ownership interest is valued at below \$5000. A Conflict Management Plan has been put in place to manage this relationship.

The attached Option Agreement Term Sheet summarizes the agreement that MSU has negotiated with *KOPESS AgTech, LLC*. The Option is based on the Xerico drought tolerance gene, which is the name of the technology being optioned.

cc: Board of Trustees, S. Fletcher, T. Woodruff, B. Quinn, M. Woo, T. Jeitschko, N. Beauchamp, M. Zeig, J. Swartz, L. Kriser



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Option AGREEMENT TERM SHEET

Party: KOPESS AgTech, LLC

Project Description: **Xerico Option Agreement**

Term: Twelve months from the effective date of the option agreement with options to extend the agreement.

Financial Terms: One thousand for the initial term, plus five thousand per year extension contingent on research funding threshold.

Services Provided: By MSU to company: None
By company to MSU: None

**Use of University
Facilities/Personnel:** None


Organization Type and Domicile: LLC, Michigan

Personnel Interest: Kyung-Hwan Han, Professor of Horticulture Agricultural is a co-founder with a 50% ownership interest in the company.

MICHIGAN STATE UNIVERSITY

April 10, 2023

MEMORANDUM

To: Committee on Audit, Risk and Compliance
From: Douglas A. Gage, Ph.D. 
Vice President for Research and Innovation
Subject: Approval of Option Agreement Terms: *KOPESS Biomass Solutions*

RECOMMENDATION

The Trustee Committee on Audit, Risk and Compliance recommends that the Board of Trustees approve a contract between Michigan State University and KOPESS Biomass Solutions, a Michigan LLC, in which MSU Professor Kyung-Hwan Han and his family hold a financial interest.

RESOLUTION

BE IT RESOLVED, that the Board of Trustees of Michigan State University hereby approves an option agreement with KOPESS Biomass Solutions, consistent with earlier public notice and with an Option Agreement Term Sheet now presented to the Board for inclusion in its minutes.

BACKGROUND

The terms of an option agreement are now presented for Board approval. Professor Han and his wife are the founders of KOPESS Biomass Solutions. MSU will be the recipient of a Phase I STTR sub-award through a USDA NIFA grant with KOPESS Biomass Solutions, LLC. Most of the scientific work will be done at MSU, which includes field testing of the EliteTree technology (a combination of genes that will help trees grow faster). Dr. Han is the inventor of EliteTree technology. Faculty's ownership interest in the company is valued below \$5000.

The attached Option Agreement Term Sheet summarizes the agreement that MSU has negotiated with KOPESS Biomass Solutions.

cc: Board of Trustees, S. Fletcher, T. Woodruff, B. Quinn, M. Woo, T. Jeitschko, N. Beauchamp, M. Zeig, J. Swartz, L. Kriser



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OPTION AGREEMENT TERM SHEET

Party: KOPESS Biomass Solutions

Project Description: EliteTree Option Agreement

Term: Twelve months from the approval date of this option agreement with an option to extend the agreement.

Financial Terms: One thousand for the initial term plus option one-year extension(s) contingent on reaching the funding threshold and payment of \$5000/yr extension fee.

Services Provided: By MSU to company: None
By company to MSU: None

**Use of University
Facilities/Personnel:** None

Organization Type and Domicile: LLC, Michigan Corporation

Personnel Interest: Kyung-Hwan Han Professor in the Department of Horticulture is a co-founder and has a 42.5% equity interest in the company.