

**EQUITY INTEREST/BUSINESS PARTICIPATION SUBMISSION FORM: REGENTS POLICY 407**

This form is to be submitted with any Board of Regents item when a campus seeks the approval of an agreement with or arrangement regarding an employee pursuant to 20-25-109 MCA and Regents Policy 407.

If any submission concerns matters of trade secrets or confidential business information, or any other matter entitled to privacy under state or federal law (e.g., the federal statute known as Bayh/Dole) the submitting campus may request consideration of the submission, in whole or in part, in executive session.

1. a. Name(s) of the university employee(s) involved.

Thomas Hughes, Ph.D., Professor of Cell Biology and Neuroscience, MSU-Bozeman

- b. Name(s) of business entity(ies) involved and its contractual relationship with the university or other public agency.

Montana Molecular, LLC has licensed technology from MSU-Bozeman which Hughes helped to develop.

2. Summarize the nature of the intellectual property that was developed by the employee seeking approval

The licensed technology involves genetically encoded biosensors. The technology is an innovative process for analyzing protein interaction in living cells which involves placement of fluorescent protein fragments within the structure of two interacting proteins. When the fluorescent protein fragments are placed at interacting surfaces of the two proteins, the two fragments are brought close enough to one another to fold together to form a signaling fluorescent protein. The technology offers distinct improvements over the current state of the art, which is the yeast 2-hybrid screen.

3. The university and employee(s) are seeking approval for (check as many as appropriate):
- a. The employee's wife has or will be awarded equity interest in the Business Entity.
  - b. The employee who is serving or may serve as a member of the board of directors or other governing board of the business entity.
  - c. The employee to accept employment from the Business Entity.

4. How will approval of this relationship contribute to the objectives of the university's technology transfer and intellectual property development programs?

Montana Molecular is a start up company in the Gallatin Valley and was selected by MSU to license the technology because it is well positioned to commercialize the technology and, thus, to disseminate knowledge to create new, useful products and processes for society. Further, Montana Molecular is a new business in the Montana economy and MUS wishes to support its success to benefit economic development and potentially create future employment opportunities for MSU graduates and students. Montana Molecular has been awarded a grant from the National Science Foundation for further development of the MSU-licensed technology. MSU is a subcontractor under that grant and Hughes is the Principal Investigator for MSU and his participation was a critical element in the success of the grant proposal.