

MICHIGAN STATE
UNIVERSITY

December 3, 2013

MEMORANDUM

To: Trustee Policy Committee
From: June Youatt, Acting Provost
Re: Notice of Intent to Negotiate Contracts with *Hydrosimulatics, Inc.*

JPY

Pursuant to State law, the Chair of the Policy Committee is requested to give public notice to the full Board of the University's intent to negotiate contracts with *Hydrosimulatics, Inc.*, a Delaware corporation.

Dr. Shu-Guang Li, a Professor in the Department of Civil & Environmental Engineering, and his family own or have options to buy an ownership interest of more than 1% of the company. Dr. Li will be an officer of *Hydrosimulatics, Inc.* Dr. Huasheng Liao, a Senior Research Associate in the Department of Civil & Environmental Engineering, and his family own or have options to buy an ownership interest of more than 1% of the company. Dr. Liao will also be an officer of *Hydrosimulatics, Inc.*



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As contract negotiations progress, more detailed information about the proposed contracts with *Hydrosimulatics, Inc.* will be provided to the Committee for its review at future meetings in accordance with State law.

Cc: Trustee Finance Committee
President Lou Anna K. Simon
Executive Vice President Satish Udpa
Vice President Mark Haas
Vice President Steve Hsu
Vice President Robert A. Noto
Vice President and Secretary Bill Beekman
Dr. Terry May
Deputy General Counsel Kristine Zayko
Assistant General Counsel Lee Bollinger