

The University Funds Launches Business Accelerator to Commercialize Research Innovations

Unique Business Model Will Help Commercialize Intellectual Property from Eight Western Research Institutions

BELLEVUE, Wash., May 21, 2009 — The University Funds, LLC™, announced today that it has begun operation of a unique company that will combine the entrepreneurial leadership and management capabilities of a startup business accelerator with a planned venture capital fund to drive commercialization of intellectual property (IP) developed at research institutions. The company, which has recruited several experienced entrepreneurs as partners, has executed agreements with several western research institutions to develop collaborative programs to drive the identification, assessment and subsequent commercialization of high potential innovations.

Founders of the venture, successful entrepreneurs Jim Torina and Pat Murphy, began working last fall with a core team of associates to refine the capital funding model and portfolio company launch methodology for the venture. In January, Torina and Murphy began raising capital and recruiting other successful entrepreneurs with a broad range of business backgrounds; including scientific domain experts, IP attorneys, and entrepreneurs with experience in manufacturing, marketing, fundraising and executive management roles. In addition, the company has added several Scientific and Business Advisory Board members with IP commercialization and venture startup experience.

"Even in these most challenging economic times, The University Funds has been able to gain traction in attracting both business investment capital and stellar leadership talent to launch our new venture," noted Jim Torina, chief executive officer of the company. "The launch of The UFunds was in response to the need for a better model to commercialize intellectual property directly out of research labs. Our success in engaging eight major research institutions in 3 months reinforces our belief that the UFunds business model will provide the elements critical to improving the ROI from their research activities."

The University Funds has selected eight major research institutions as primary sources of IP for their ventures and has entered into agreements with them, including; Washington State University, University of Washington, Oregon State University, University of Oregon, University of Idaho, University of Arizona, University of Utah, and Pacific Northwest National Laboratory (A division of the Battelle Memorial Institute).

The University Funds will employ a unique business planning and launch process developed by the founders based on their multiple startup experiences. The vision for the company's business model was conceived in part from Torina's involvement with Murphy as mentors and judges for WSU's business plan competitions. After seeing several exciting IP-based opportunities do well in the competitions, but fail to launch for lack of both capital and management expertise, Torina approached Murphy and WSU faculty member Dr. Len Jessup with the idea of launching "*A company that builds companies*™."

"We are very encouraged by the research institutions' positive response to our process for launching new venture-backed companies around research-based, intellectual property," states Murphy, chief operating officer and co-founder. "Coupling our Business Accelerator to a seed-stage venture fund will enable us to adhere to a capitalization model that benefits the early stakeholders, while enabling our management teams to accelerate product development, operations, and executing the marketing strategy," continues Murphy. "By

managing startup risks, establishing milestone-based funding commitments and accelerating business development, we believe we can increase valuations and retain more equity for early stakeholders."

About The University Funds

The University Funds is a new venture development firm that plans to fully integrate seed-stage funding with a managed business formation process for creating high potential portfolio companies from research-based intellectual property (IP) licensed from IP Partners. The organization's mission is to create an optimal eco-system that supports the entire commercialization process from the lab to the marketplace while creating equitable returns for its stakeholders. The organization will target its innovation commercialization efforts within the life sciences, plant and animal sciences and green technology sectors. For more information, visit www.theufunds.com.

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