



American Society of Clinical Oncology

Corporate Conflicts Of Interest Policy

Approved by ASCO Board of Directors: March 11, 2005

Article I

Introduction

The Board of Directors (the “Board”) of the American Society of Clinical Oncology (the “Society” or “ASCO”) is the policy-making body guiding the direction and activities of the Society. A Director may claim no higher allegiance to any particular member interest, nor to any outside business interest. The overriding premise of a Director’s duty of loyalty is that of fairness to the Society. This standard requires that a Director avoid using the position for personal gain or advantage, or to obtain a favored status for any special group, business, or family entity with which a Director is otherwise affiliated. Senior officers and management personnel, and member volunteers such as committee leaders serve as a public face for the Society. They may also help to determine the direction and content of the Society’s policy, research and educational activities.

Purpose

The purpose of this conflicts of interest policy is to help identify actual or possible conflicts of interest and to protect the Society’s interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an “Interested Person” as defined below.¹ This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to the Society.

Article II

Definitions

1. Interested Person

Any director, principal officer, or member of a committee with Board delegated powers who has a direct or indirect Financial Interest, as defined below, is an “Interested Person.” If a person is an Interested Person with respect to any entity affiliated with the Society, such as the JCO, ASCO Foundation, or a state affiliate or other member organization, he or she is an Interested Person with respect to all affiliated entities.

¹ Note that an item for further discussion is how to more explicitly link this “umbrella” policy to the Conflicts Guidelines document also currently under development.

2. Financial Interest

A person has a Financial Interest if the person has, directly or indirectly, through business, investment or family –

- a. An ownership or investment interest in any entity with which the Society has a transaction or arrangement;
- b. A compensation arrangement with the Society or with any entity or individual with which the Society has a transaction or arrangement; or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Society is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

A Financial Interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a Financial Interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III

Procedures

1. Duty to Disclose

Annual Disclosure: Each director, principal officer or member of a committee with Board delegated powers shall provide annual disclosure of his or her outside financial and professional interests on the attached Conflicts of Interest Statement. In addition, he or she shall immediately update this statement at any time during the year that the information requested on the statement changes. Disclosure statements shall be submitted to the Conflicts Resolution Officer/Committee.

Disclosure of Particular Financial Interests: With respect to any particular matter pending before the Society, each Interested Person must disclose the existence of his or her Financial Interest to the Board and to members of committees with Board delegated powers considering the proposed transaction or arrangement.²

² Need to confirm that all disinterested members of the Board or committee with Board delegated powers will make determinations of whether a conflict of interest exists in the context of a financial arrangement or transaction, even though specific reporting/disclosure will possibly be routed (as is the annual reporting) through the Conflicts Resolution Officer/Committee (comprising the Conflicts Resolution Officer, EVP or COO or their designee, and the senior

2. Determining Whether a Conflict of Interest Exists

After disclosure of the Financial Interest and all material facts, and after any discussion with the Interested Person, he or she shall leave the Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing a Conflict of Interest

If a conflict of interest is determined to exist, the following procedure shall be followed:

- a. The Interested Person may make a presentation at the Board or committee meeting, but after such presentation, he or she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that results in the conflict of interest.
- b. The chairperson of the Board or the committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the Board or committee shall determine whether the Society can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement not giving rise to a conflict of interest is not reasonably attainable under circumstances, the Board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Society's best interest and for its own benefit and whether the transaction is fair and reasonable to the Society. The Board shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

4. Violations of the Conflicts of Interest Policy

- a. If the Board or committee has reasonable cause to believe that a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the Board determines that the member has in fact

three members of the Board). Need to discuss the relationship of these disclosure/resolution procedures to the procedures outlined in the task force policy guidelines document, which calls for conflicts to be resolved by the Conflicts Resolution Officer/Committee or the chair of the Board or appropriate committee.

failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV

Records of Proceedings

The minutes of the Board and all committees with Board delegated powers shall contain –

1. The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present, and the Board's or committee's decision as to whether a conflict of interest in fact existed.
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

Article V

Compensation

1. A voting member of the Board of Directors who receives compensation, directly or indirectly, from the Society for services is precluded from voting on matters pertaining to that member's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Society for services is precluded from voting on matters pertaining to that member's compensation.

Article VI

Annual Statements

Each director, principal officer and member of a committee with Board delegated powers shall annually sign a statement that affirms that such person –

- a. Has received a copy of the conflicts of interest policy;
- b. Has read and understands the policy;

- c. Has agreed to comply with the policy; and
- d. Understands that the Society is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Article VII

Periodic Reviews

Appropriate reviews may be conducted to help the Society to operate in a manner consistent with its charitable purposes and to prevent engaging in activities that could jeopardize its status as an organization exempt from federal income tax. Such reviews as may be conducted may, but are not required to, include some or all of the following subjects:

- a. Whether compensation arrangements and benefits are reasonable and are the result of arm's-length bargaining; and
- b. Whether financial transactions and arrangements with other organizations conform to written policies, are properly recorded, reflect reasonable investments or payments for goods and services, further the Society's charitable purposes and do not result in inurement, impermissible private benefit or an excess benefit transaction.