Financial Conflicts of Interest (FCOI) Policy (v1)

IMPLENOMICS LLC

SUMMARY

IMPLENOMICS LLC (IMPLENOMICS in the following) is dedicated to maintaining public trust in the integrity of our research-related activities. The U.S. Department of Health and Human Services (HHS) has issued a final rule in the Federal Register that amends the Public Health Service (PHS) regulations on Responsibility of Applicants for Promoting Objectivity in research for which PHS Funding is Sought (42 C.F.R. Part 50, Subpart F) and Responsible Prospective Contractors (45 C.F.R. Part 94). This policy addresses the crucially important responsibilities of IMPLENOMICS, our investigators, and staff in both safeguarding research objectivity and complying with the requirements of all applicable state and federal regulations.

POLICY

A. No research or activities occurring at, on behalf of, or through IMPLENOMICS shall be adversely affected by the financial interests of persons involved in those activities. Any investigator possessing a financial interest related to their company responsibilities must disclose the interest at least annually and/or prior to participating in a research project or grant. IMPLENOMICS is responsible for reviewing disclosures and instituting an adequate plan for the elimination, reduction or management of any identified financial conflicts of

interest. The goal of this policy is to: protect research participants, the integrity and credibility of activities related to research and to maintain public trust and confidence in IMPLENOMICS and its Investigators.

B. All research activity conducted at IMPLENOMICS shall be conducted in compliance with the following regulations and policies, as applicable:
    1. PHS regulations on Responsibility of Applicants for Promoting Objectivity in research for which PHS Funding is Sought (42 CFR Part 50, Subpart F August 25, 2011);
    2. PHS regulations on Responsible Prospective Contractors (45 CFR Part 94 August 25, 2011);
C. Persons failing to comply with this policy shall be subject to sanctions as provided herein.
D. Investigator Responsibilities - All Investigators are required to:
    1. Disclose financial interests
        a. Annually;
        b. Within 30 days of discovering or acquiring a financial interest.
            i. In the case of Sponsored or Reimbursed Travel, the disclosure must be made within 30 days of the trip end;
            ii. Regarding the disclosure of sponsored or reimbursed travel, if an Investigator can reasonably anticipate the occurrence of travel, the Investigator may elect to disclose such travel up to twelve (12) months in advance of the anticipated travel. If an advance disclosure of travel becomes materially inaccurate, the Investigator must provide an updated disclosure within 30 days of the change.
        c. Upon request from the IMPLENOMICS leadership team.
    2. Certify that their financial disclosure is current at the time of submission of a grant proposal/application.
    3. Ensure their financial disclosure is current prior to the approval and throughout the lifecycle of an IRB study.
    4. Disclose individual or family members' financial interests that reasonably appear to be related to their company responsibilities or have any of the following financial interests in an entity that is sponsoring the

research:

a. Any remuneration from the entity in the previous twelve months that exceeds $5,000, when aggregated for the individual and their immediate family. (Remuneration includes salary and any payment for services not otherwise identified as salary, such as consulting fees, honoraria, or paid authorship).

b. Any equity interest in the entity (equity interest includes any stock, stock option, or other ownership interest).

c. Any intellectual property rights and interests (e.g., patents, copyrights, IP rights and agreements to share in royalties related to such rights).

d. Any governance or executive relationship with the entity (e.g., founder, board of director, CEO).

5. Comply with any Management Plan established by IMPLENOMICS.

6. Required Financial Conflict of Interest (FCOI) Training:

    a. IMPLENOMICS offers self-directed, online, FCOI training per Federal regulations, Investigators are required to complete FCOI training:

        i. At least every 4 years;

        ii. As part of the on-boarding process after joining IMPLENOMICS;

        iii. As mandated by IMPLENOMICS, upon determination of non- compliance with this policy or an existing Management Plan;

        iv. When IMPLENOMICS revises this policy in any manner that affects the requirements of investigators;

        v. Prior to engaging in research related to any PHS-funded grant

        vi. As otherwise dictated by IMPLENOMICS.

E. IMPLENOMICS will review all Investigator SFI disclosures for FCOI and determine whether any relate to PHS-funded research.

F. Management of FCOI

1. IMPLENOMICS determines the criteria used for, and adequacy of all Management Plans (low, moderate, and high). FCOI Management Plans will address the following key areas: 1) The nature of the conflict; 2) the relatedness of the conflict to the research; 3) the perceived risk to the integrity of the research as a result of the conflict; 4) if applicable, the specific risks to human subjects; 5) if the conflict can be sufficiently managed by a Management Plan; and 6) the perceived risk to the reputation of IMPLENOMICS.

2. If IMPLENOMICS determines that a reported Investigator SFI constitutes an FCOI relating to a research project, it shall develop and implement a Management Plan specifying terms and conditions that have been, or will be, taken that in the reasonable judgement of IMPLENOMICS will reduce or manage the FCOI and may contain one or more of the following terms and conditions:

    a. Disclosure of financial interest(s) relating to conflicted research study(ies) in publications, presentations, and any public communication of research results;

    b. Disclosure of financial interest(s) relating to conflicted research study(ies) to all research personnel affiliated with and potential human subjects participating in the research;

    c. Prohibited from obtaining informed consent of human subject participants;

    d. Prohibited from production of data involving subjective scoring or similar methods;

    e. Prohibited from conducting data analysis;

    f. Prohibited from performing adverse event causation analysis;

    g. Provide research personnel with access to a senior faculty member to monitor and offer mentorship to resolve conflicts;

    h. If decision-maker, recuse oneself from making future decisions on behalf of IMPLENOMICS relating to financial interest(s);

    i. Update financial disclosure within 30 days of known changes;

j. Upon request, provide a Management Plan compliance update to IMPLENOMICS management team.

k. Upon request, make available all research data and results for independent data monitoring;

l. Upon request, provide information for independent review of study design;

m. Prohibited from using IMPLENOMICS assets and facilities relating to conflicted entity(ies);

n. Prohibited from participating in negotiations on behalf of IMPLENOMICS and conflicted entity(ies);

o. Prohibited from disclosing proprietary information belonging to IMPLENOMICS to conflicted entity(ies).

3. In developing a Management Plan, IMPLENOMICS may conduct factual inquiries and consult with and receive recommendations from such persons or committees as IMPLENOMICS deems necessary and appropriate.

4. A completed or updated Management Plan will generally serve as such written approval.

5. Investigator must submit to IMPLENOMICS and IRB of Record.

    a. FCOI identified due to an updated disclosure after a study is approved, may result in IRB activity holds until the conflict is resolved.

6. The IRB is responsible for reviewing the Management Plan and the consent form language to ensure whether the financial interest(s) and its Management Plan adequately protect the rights and welfare of human subjects. They may suggest that;

    a. Additional actions be taken to minimize risks to human subjects;

    b. Changes to the kind, amount, and level of detail of information in the consent form be provided to human subjects regarding the source of funding, funding arrangements, financial interests of parties involved in the research, and any financial interest management terms and conditions applied.

7. For PHS-funded research, the actions detailed above (sections F and G) will be completed prior to the expenditure of any research project funds, or within 60 days of a disclosure of an SFI during the course of a

research project by an existing Investigator or an Investigator new to the project.

8. Whenever a Management Plan is implemented, IMPLENOMICS shall take such actions as it deems reasonable to audit and/or monitor compliance with the Management Plan, including obtaining regular reports from individuals and committees charged with oversight responsibilities in connection with FCOI Management Plans. This audit and/or monitoring of compliance will be conducted until the completion of the research project or until the Management Plan is no longer required.

G. Management of Other Interests

1. When a disclosure of SFI is determined not to constitute an FCOI, or disclosure of non-SFI related to human subjects research, IMPLENOMICS may determine that some type of management or oversight of the interest is appropriate before certain research activities may proceed. IMPLENOMICS may specify additional terms and conditions to manage these other interests.

H. FCOI Reporting to PHS Awarding Components for PHS-Funded research

1. IMPLENOMICS will submit FCOI reports to a PHS Awarding Component:
    a. Prior to expenditure of any funds under a PHS-funded research project, if an FCOI has not been eliminated;
    b. Within 60 days for a new Investigator to the project
    c. Within 60 days of identifying an FCOI during an ongoing research project;
    d. Annually for any FCOI previously reported regarding an ongoing PHS-funded research project. The report shall specify the status of the FCOI (if the FCOI is still being managed or explain why it no longer exists) and if appropriate, any changes to the Management Plan. The report shall be submitted annually for the duration of the research project at the same time as the submission to NIH of the annual progress report, multi-year progress report, if applicable, or at the time of extension.

2. Any FCOI report submitted to a PHS Awarding Component shall include the minimum elements as required by 42 CFR Part 50, Subpart F and contain sufficient information to understand the nature and extent of the financial conflict and assess the appropriateness of the Management Plan.

I. PHS-Funded research through Subcontractors

1. If the PHS-Funded research or portions of it is carried out through a subcontractor, IMPLENOMICS will take reasonable steps to ensure that any subcontracting Investigator complies with 42 CFR Part 50, Subpart F by incorporating the following as part of the written agreement with the subrecipient:
    a. Terms that establish whether this policy or the subcontractors FCOI policy will apply to the subcontractor.
    b. Time period(s) for the subcontractor to report all identified FCOI or for submission of all subcontractor Investigator SFI disclosures to SCRI.

J. Publicly Accessible Information

1. This policy shall be available via IMPLENOMICS publicly accessible website.
2. For PHS-Funded research, IMPLENOMICS shall make information concerning significant financial interests that meet the criteria below available to the public, upon written request for such information:
    a. SFI was disclosed and is still held by Senior/Key Personnel (as defined in this policy);
    b. IMPLENOMICS determined the SFI is related to a PHS-Funded research project;
    c. IMPLENOMICS determined the SFI constitutes an FCOI.
3. The above information made available shall consist of the minimum elements as required by 42 CFR Part 50, Subpart F and shall be provided by written response to the requestor.
4. The above information shall remain available for public request for at least three years from the date that the information was most recently updated.

K. Retrospective Review of PHS-Funded research

1. Whenever IMPLENOMICS identifies an SFI that was not disclosed in a timely manner or was not previously reviewed by IMPLENOMICS during an ongoing PHS-Funded research project, IMPLENOMICS shall within 60 days:
    a. Review the SFI;
    b. Determine whether it is related to a PHS-Funded research project;

c. Determine whether an FCOI exists;
d. If IMPLENOMICS determines an FCOI exists, IMPLENOMICS shall implement (at least on an interim basis) a Management Plan that specifies the actions that have been taken and will be taken to manage such FCOI.

2. Whenever an FCOI related to a PHS-Funded research project is not identified or managed in a timely manner due to non-compliance by an IMPLENOMICS Investigator or subcontractor, including if an Investigator or subcontractor fails to comply with a Management Plan, IMPLENOMICS shall:
    a. Within 120 days of non-compliance identification, complete and document a retrospective review of the Investigator or subcontractor activities and the research project. Documentation of the review will include all elements as specified by 42 CFR Part 50, Subpart F;
    b. Based on the results of the retrospective review, if appropriate, update the previously submitted FCOI report and specify the actions that will be taken to manage the FCOI moving forward;
    c. If bias is found, notify the PHS Awarding Component promptly and develop and submit a mitigation report. The mitigation report shall consist of the minimum elements as required by 42 CFR Part 50, Subpart F;
    d. Submit FCOI reports to the PHS Awarding Component annually thereafter for the duration of the research project.

L. Sanctions and Remedies for Violation of Policy

1. If IMPLENOMICS determines an Investigator or subcontractor has violated this policy, including failure to submit required disclosures or failure to comply with the requirements of a Management Plan, IMPLENOMICS shall take reasonable steps to respond appropriately to violations, including, but not limited to:
    a. Suspending research activity expenditures;
    b. Administratively suspending any research study related to the FCOI;
    c. Instituting disciplinary measures up to and

including suspension or termination.

2. If required to do so, IMPLENOMICS will submit to HHS, or permit on site review of, all records pertinent to compliance with this policy and federal regulations.
3. In the case in which it is determined that a PHS-Funded research project whose purpose is to evaluate the safety or effectiveness of a drug, medical device, or treatment has been designed, conducted, or reported by an Investigator with an FCOI that was not managed or reported, IMPLENOMICS shall require the Investigator involved to disclose the FCOI in each public presentation of the results of the research and shall request an addendum to previously published presentations.

M. Record Keeping

1. IMPLENOMICS shall maintain records relating to:
    a. All Investigator or subcontractor disclosures of financial interests;
    b. IMPLENOMICS' review and response to such disclosures;
    c. Actions taken under this policy or retrospective reviews.
2. For PHS-Funded research, these records shall be maintained for at least three years from the date the final expenditures report is submitted to the PHS Awarding Component or as required by 45 CFR 74.53(b) and 92.42(b). For all other research, these records shall be maintained for at least three years from the date of the final expenditures report.

DEFINITIONS

Compensation: means any remuneration, including, salary and payment for services not otherwise identified as salary such as consulting fees, honoraria, and paid authorship. This does not include salaries, wages or fees paid by IMPLENOMICS to its employees or Subcontractor(s). Income from seminars, lectures, teaching engagements, advisory committee service, or review panels and reimbursed or sponsored travel when such activities are sponsored by a U.S. governmental entity; an institution of higher education, academic teaching hospital, and medical center in the U.S.; and a research institute that is affiliated with an institute of higher education or a related entity in the U.S., do not require disclosure.

Covered Persons: Any IMPLENOMICS Investigator or any other individual involved in the design, conduct, or reporting of funded research, and if applicable, family members (see definition of family member).

Disclosure: an IMPLENOMICS Investigator's provision of information about their financial interest(s) to IMPLENOMICS.

Equity Interest: any financial interest in the profits of, or stock of, a commercial or non-profit enterprise, a stock option, or any other ownership interest in a commercial or non-profit enterprise.

Entity: any domestic or foreign, public or private, for profit or non-profit legal entity or organization other than IMPLENOMICS or the federal government.

Family Member: an Investigator's spouse, domestic partner or dependent children.

Financial Conflict of Interest (FCOI): a significant financial interest that is related to and could directly and significantly affect the design, conduct, or reporting of the research.

Financial Interest: anything of economic or monetary value, whether or not the value is readily ascertainable, possessed by an IMPLENOMICS Investigator and his/her family member (see definition above).

Institution: refers to any domestic or foreign, public or private, entity or organization, (excluding a federal agency), that is applying for or that receives, NIH research funding

Intellectual Property (IP): IP is defined as ownership and associated right relating to scientific discoveries, technological advances, compilation, and original works. Intellectual Property includes Patents, Trademarks, Copyrights, Trade Secrets and other species such as computer software, Mask Work, printed material, or Tangible Property. The formal protections provided by Patents, Copyrights or Trademarks may be used to preserve some Intellectual Property from unauthorized use or misappropriation. Intellectual Property is created when something new and valuable has been conceived or developed, or when unusual, unexpected, or non-obvious results have been discovered with existing technology and which can be applied to some useful purpose. Intellectual Property can be created by one person or co-created by several.

Investigator: any employee of IMPLENOMICS who is engaged in research at IMPLENOMICS and who is responsible for the design, conduct or reporting of research. Investigators typically include, but are not limited to the following roles, the Principal Investigator, Project Director, Co-investigator, and Senior/Key Personnel (see definition of Senior/Key Personnel), subgrantees, contractors, consortium participants, collaborators, consultants.

Management Plan: a written plan to address a financial conflict of interest to ensure, to the extent possible, that the design, conduct and reporting of research will be free from bias.

PHS: the Public Health Service of the U.S. Department of Health and Human Services and any PHS awarding components to which authority may be delegated, including without limitation

the National Institutes of Health.

PHS Awarding Component: the organizational unit of the Public Health Service that funds research that is subject to 42 CFR 50, subpart F.

PHS-Funded research: any research or sponsored activity for which funding is available from a PHS awarding component through a grant or cooperative agreement, however authorized, such as a research grant, career development award, center grant, individual fellowship award, infrastructure award, institutional training grant, program project or research resources award. PHS-Funded research does not include any SBIR or STIR Program application or award.

Principal Investigator (PI): any person designated with the title of "Principal Investigator" of a research or sponsored project having primary responsibility for the scientific and technical conduct, reporting, fiscal and programmatic administration, and implementation.

Regulation or FCOI regulation refers to 42 CFR 50, subpart F, Promoting Objectivity in Research, which applies to both grants and cooperative agreements.

Reimbursed Travel: travel activity for which the travel expenses are paid directly by the Investigator, who is then reimbursed by an entity for such travel expenses.

Report: refers to Institute's report of identified FCOI to the NIH.

Research: a systematic investigation, study or experiment designed to develop or contribute to generalizable knowledge relating broadly to public health, including behavioral and social sciences research. The term encompasses basic and applied research (e.g., a published article, book or book chapter) and product development (e.g., a diagnostic test or drug) and includes any activity for which PHS research funding is available.

Senior/ Key Personnel: the program director/principal investigator (PD/PI) and other individuals who contribute to the scientific development or execution of a project in a substantive, measurable way, whether or not they request salaries or compensation.

Significant Financial Interest (SFI): means a Financial Interest[1] consisting of one or more of the following Interests of the Investigator and/or the Investigators Family Member(s) that reasonably appears to be related to the Investigator's responsibilities in PHS Sponsored research:

a. With regard to any ***publicly traded Entity***, a Significant Financial Interest exists if the value of any Compensation received from the Entity in the twelve months preceding the Disclosure and the value of any Equity Interest in the Entity as of the date of Disclosure, when aggregated, exceeds $5,000.

b. With regard to any ***non-publicly traded entity***, a Significant Financial Interest exists if the value of any Compensation received from the Entity in the twelve months

preceding the Disclosure, when aggregated, exceeds $5,000 or when the Investigator or Family Member holds any Equity Interest.

c. Intellectual Property rights and interests.

d. Travel Expenses that are Sponsored Travel.

Sponsored research: any research project for which an application/proposal is submitted to OSR. This includes research funded by internal awards such as Center for Clinical and Translational research Funding Programs.

Sponsored Travel: travel expenses paid directly by an entity on behalf of an Investigator and not reimbursed directly to the Investigator so that the exact monetary value may not be readily available. This does not include travel expenses paid directly by an IMPLENOMICS research study budget (also known as an activity).

Subcontractor: an Investigator (see definition above) either affiliated with an organization or working as an individual (e.g., consultant/collaborator) that works with IMPLENOMICS under a PHS-funded or proposed sub-award or subcontractor agreement.

Travel Expenses: financial expenses incurred for the purpose of engaging in travel activity, including, but not limited to, costs for transportation, parking, food, drink, lodging and related amenities.