



AELIS FARMA FINANCIAL CONFLICT OF INTEREST POLICY

Dated : May 2, 2016

This Aelis Farma FCOI Policy documents the policies and procedures adopted by Aelis Farma for compliance with the revised Public Health Service regulations, entitled Responsibility of Applicants for Promoting Objectivity in Research for which PJS Funding is Sought, 42 CFR Part 50 Subpart F, effective Aug. 24, 2012.

A. What is the purpose of an FCOI policy

A Financial Conflict Of interest regulation is established to promote objectivity in research by establishing standards that provide a reasonable expectation that the design, conduct, and reporting of research will be free from bias resulting from Investigator FCOIs.

B. Why is Aelis Farma implementing such a policy

Aelis Farma is subrecipient of an NIH-NIDA funded project (R01 DA038875-01) filed by Columbia University.

Columbia University is required to comply with the revised Public Health Service Regulations entitled “Responsibility of Applicants for Promoting Objectivity in Research for which Public Health Service (PHS) funding is Sought, 42 CFR Part 50 Subpart F (“PHS Regulations”), effective Aug. 24, 2012.

As subrecipient of Columbia University, Aelis Farma is expected to set up an FCOI policy in order to identify and report to Columbia University any FCOI.

C. Definitions

Among the definitions listed at 42 CFR 50.603 (see appendix for full text), the following key definitions apply in the specific context of Aelis Farma and are considered key to Aelis Farma’s own FCOI policy :

- **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. In the specific context of the NIDA grant, the Institution can apply either to Columbia University or to Aelis Farma as subrecipient depending on the context.
- **Investigator**: the Project Director/Principal Investigator and any other individual, regardless of title or position, who is responsible for the design, conduct, or reporting of



research funded by the PHS, or proposed for such funding, which may include, for example, collaborators or consultants.

- **Institutional responsibilities** means an Investigator's professional responsibilities on behalf of the Institution, and as defined by the Institution, including, but not limited to, activities such as research, research consultation, (...), professional practice, (...).
- **Financial interest** : means anything of monetary value, whether or not the value is readily ascertainable.
- **Financial Conflict of Interest ("FCOI")**: a Significant Financial Interest that could directly and significantly affect the design, conduct or reporting of PHS funded research.
- **Manage** means taking action to address a financial conflict of interest, which can include reducing or eliminating the financial conflict of interest, to ensure, to the extent possible, that the design, conduct, and reporting of research will be free from bias.
- **Significant Financial Interest (SFI)** :
 - A financial interest consisting of one or more of the following interests of the Investigator (and those of the Investigator's spouse and dependent children) that reasonably appears to be related to the Investigator's institutional responsibilities:
 - (i) With regard to any publicly traded entity, a significant financial interest exists if the value of any remuneration 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. For purposes of this definition, remuneration includes salary and any payment for services not otherwise identified as salary (e.g., consulting fees, honoraria, paid authorship); equity interest includes any stock, stock option, or other ownership interest, as determined through reference to public prices or other reasonable measures of fair market value;
 - (ii) With regard to any non-publicly traded entity, a significant financial interest exists if the value of any remuneration received from the entity in the twelve months preceding the disclosure, when aggregated, exceeds \$5,000, or when the Investigator (or the Investigator's spouse or dependent children) holds any equity interest (e.g., stock, stock option, or other ownership interest); or
 - (iii) Intellectual property rights and interests (e.g., patents, copyrights), upon receipt of income related to such rights and interests.
 - The term significant financial interest **does not** include the following types of financial interests:
 - (i) salary, royalties, or other remuneration **paid by the Institution to the Investigator if the Investigator is currently employed or otherwise appointed by the Institution**, including intellectual property rights assigned to the Institution and agreements to share in royalties related to such rights;



- (ii) any ownership interest in the Institution held by the Investigator, **if the Institution is a commercial or for-profit organization.**

D. Responsibilities regarding Investigator financial conflicts of interest

Investigator: every Investigator is responsible for complying with Aelis Farma's FCOI policies and procedures, being acquainted with it and its updates, and for disclosing the required information to Aelis Farma. The Investigator is required to disclose to Aelis Farma's CEO his/her SFIs (and those of his/her spouse and dependent children) that reasonably appear to be related to the Investigator's institutional responsibilities. The Investigator must disclose the SFIs as follows:

- As soon as Aelis Farma's enacts an FCOI policy if FCOI exists before the policy is enacted,
- No later than at the time of the application for NIH-funded research if application occurs after Aelis Farma's policy is enacted,
- Within thirty days of discovering or acquiring (e.g., through purchase, marriage, or inheritance) a new SFI; and
- At least annually, during the period of award.

Aelis Farma : Aelis Farma is responsible for maintaining an up-to-date written, enforced FCOI policy that complies with the regulation and making the policy accessible. Additional responsibilities include:

- Soliciting and reviewing disclosures of Investigators' SFIs that are reasonably related to an Investigator's institutional responsibilities,
- Determining whether an Investigator's SFI is related to the NIDA funded research and, if so related, whether the SFI is an FCOI (SFI that could directly and significantly affect the design, conduct or reporting of the NIDA-funded research),
- Developing and implementing management plans, as needed to manage FCOIs for awardee Investigators and subrecipient Investigators, if applicable
- Submitting initial and annual FCOI reports to Columbia University,
- Completing retrospective reviews when there is noncompliance with the Aelis Farma's policy or the FCOI regulation and updating any previously submitted FCOI report, if required after the retrospective review is complete,
- Submitting mitigation reports when bias is found in NIDA supported research as a result of the finding from a retrospective review.



E. Institutional responsibilities

Aelis Farma has identified Valerie Scappaticci, CEO, as the person responsible for soliciting and reviewing disclosures of SFIs from each Investigator who is planning to participate in, or is participating in, the NIDA funded research.

Aelis Farma's responsibilities include:

- Creating and maintaining an up-to-date written and enforced policy that complies with 42 CFR Part 50 Subpart F.,
- Making its FCOI policy publicly available on its Web site,
- Informing each investigator of the FCOI regulation, Aelis Farma's FCOI policy, and of the Investigator's disclosure responsibilities.
- Requiring each Investigator to be acquainted with Aelis Farma's FCOI policy, his / her responsibilities to disclose SFIs and of the regulation prior to engaging in research related to any NIDA-funded grant or cooperation agreement at least every four years and immediately when any of the following circumstances apply :
 - Aelis Farma revises its FCOI policies and procedures in any manner that affects the requirements of the Investigators;
 - An Investigator is new to the company; or
 - Aelis Farma finds that an Investigator is not in compliance with the Institution's FCOI policy or management plan.
- Requiring each Investigator who is participating in the NIDA funded research to submit an updated disclosure of SFIs annually. Such disclosure shall include any information that was not disclosed initially, or in a subsequent disclosure of SFIs, and shall include updated information regarding any previously disclosed SFI (e.g. the updated value of a previously disclosed equity interest).
- Requiring each Investigator who is participating in the NIDA funded research to submit an updated disclosure of SFIs within 30 days of discovering or acquiring a new SFI.
- Taking the necessary actions to manage FCOIs, including any financial conflicts of a subrecipient Investigator pursuant to 50.504(c) of the regulation. Management of an identified FCOI will imply reporting it to Columbia University and determining in conjunction with this Institution the necessary course of actions to be taken.
- Completing and documenting a retrospective review if necessary and, if bias is found, developing and submitting a mitigation report in collaboration with Columbia University.
- Providing initial and annual FCOI reports to Columbia University.
- Providing written information about FCOIs held by Senior/Key personnel on the NIDA Award to members of the public who make a written request. Senior/ Key Personnel include any individual listed as Key Personnel on the NIDA funding application.



- Maintaining records relating to all Investigator disclosures of financial interests and Aelis Farma's review of, or response to, such disclosures (whether or not a disclosure resulted in Aelis Farma's determination of an FCOI), and all actions under Aelis Farma's policy or retrospective review, if applicable, for at least three years from the date the final expenditures report is submitted to Columbia University.

Responsibilities related to Subrecipients

If Aelis Farma carries out the NIH-funded research through a subrecipient (e.g., subcontractor or consortium members), it must take reasonable steps to ensure that any subrecipient Investigator complies with the regulation, consistent with 42 CFR 50.604.



APPENDIX 1 : 42 CFR Part 50 Subpart F

§ 50.601 Purpose.

This subpart promotes objectivity in research by establishing standards that provide a reasonable expectation that the design, conduct, and reporting of research funded under Public Health Service (PHS) grants or cooperative agreements will be free from bias resulting from Investigator financial conflicts of interest.

§ 50.602 Applicability.

This subpart is applicable to each Institution that is applying for, or that receives, PHS research funding by means of a grant or cooperative agreement and, through the implementation of this subpart by the Institution, to each Investigator who is planning to participate in, or is participating in, such research; provided, however, that this subpart does not apply to SBIR Program Phase I applications. In those few cases where an individual, rather than an Institution, is applying for, or receives, PHS research funding, PHS Awarding Components will make case-by-case determinations on the steps to be taken, consistent with this subpart, to provide a reasonable expectation that the design, conduct, and reporting of the research will be free from bias resulting from a financial conflict of interest of the individual.

§ 50.603 Definitions.

As used in this subpart:

Disclosure of significant financial interests means an Investigator's disclosure of significant financial interests to an Institution.

Financial conflict of interest (FCOI) means a significant financial interest that could directly and significantly affect the design, conduct, or reporting of PHS-funded research.

FCOI report means an Institution's report of a financial conflict of interest to a PHS Awarding Component.

Financial interest means anything of monetary value, whether or not the value is readily ascertainable.

HHS means the United States Department of Health and Human Services, and any components of the Department to which the authority involved may be delegated.

Institution means any domestic or foreign, public or private, entity or organization (excluding a Federal agency) that is applying for, or that receives, PHS research funding.

Institutional responsibilities means an Investigator's professional responsibilities on behalf of the Institution, and as defined by the Institution in its policy on financial conflicts of interest, which may include for example: activities such as research, research consultation, teaching, professional practice, institutional committee memberships, and service on panels such as Institutional Review Boards or Data and Safety Monitoring Boards.



Investigator means the project director or principal Investigator and any other person, regardless of title or position, who is responsible for the design, conduct, or reporting of research funded by the PHS, or proposed for such funding, which may include, for example, collaborators or consultants.

Manage means taking action to address a financial conflict of interest, which can include reducing or eliminating the financial conflict of interest, to ensure, to the extent possible, that the design, conduct, and reporting of research will be free from bias.

PD/PI means a project director or principal Investigator of a PHS-funded research project; the PD/PI is included in the definitions of senior/key personnel and Investigator under this subpart.

PHS means the Public Health Service of the U.S. Department of Health and Human Services, and any components of the PHS to which the authority involved may be delegated, including the National Institutes of Health (NIH).

PHS Awarding Component means the organizational unit of the PHS that funds the research that is subject to this subpart.

Public Health Service Act or PHS Act means the statute codified at [42 U.S.C. 201 et seq.](#)

Research means 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). As used in this subpart, the term includes any such activity for which research funding is available from a PHS Awarding Component through a grant or cooperative agreement, whether authorized under the PHS Act or other statutory authority, such as a research grant, career development award, center grant, individual fellowship award, infrastructure award, institutional training grant, program project, or research resources award.

Senior/key personnel means the PD/PI and any other person identified as senior/key personnel by the Institution in the grant application, progress report, or any other report submitted to the PHS by the Institution under this subpart.

Significant financial interest means:

(1) A financial interest consisting of one or more of the following interests of the Investigator (and those of the Investigator's spouse and dependent children) that reasonably appears to be related to the Investigator's institutional responsibilities:

(i) With regard to any publicly traded entity, a *significant financial interest* exists if the value of any remuneration 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. For purposes of this definition, remuneration includes salary and any payment for services not otherwise identified as salary (e.g., consulting fees, honoraria, paid authorship); equity interest includes any stock, stock option, or other ownership interest, as determined through reference to public prices or other reasonable measures of fair market value;



(ii) With regard to any non-publicly traded entity, a *significant financial interest* exists if the value of any remuneration received from the entity in the twelve months preceding the disclosure, when aggregated, exceeds \$5,000, or when the Investigator (or the Investigator's spouse or dependent children) holds any equity interest (e.g., stock, stock option, or other ownership interest); or

(iii) Intellectual property rights and interests (e.g., patents, copyrights), upon receipt of income related to such rights and interests.

(2) Investigators also must disclose the occurrence of any reimbursed or sponsored travel (*i.e.*, that which is paid on behalf of the Investigator and not reimbursed to the Investigator so that the exact monetary value may not be readily available), related to their institutional responsibilities; provided, however, that this disclosure requirement does not apply to travel that is reimbursed or sponsored by a Federal, state, or local government agency, an Institution of higher education as defined at [20 U.S.C. 1001\(a\)](#), an academic teaching hospital, a medical center, or a research institute that is affiliated with an Institution of higher education. The Institution's FCOI policy will specify the details of this disclosure, which will include, at a minimum, the purpose of the trip, the identity of the sponsor/organizer, the destination, and the duration. In accordance with the Institution's FCOI policy, the institutional official(s) will determine if further information is needed, including a determination or disclosure of monetary value, in order to determine whether the travel constitutes an FCOI with the PHS-funded research.

(3) The term *significant financial interest* does not include the following types of financial interests: salary, royalties, or other remuneration paid by the Institution to the Investigator if the Investigator is currently employed or otherwise appointed by the Institution, including intellectual property rights assigned to the Institution and agreements to share in royalties related to such rights; any ownership interest in the Institution held by the Investigator, if the Institution is a commercial or for-profit organization; income from investment vehicles, such as mutual funds and retirement accounts, as long as the Investigator does not directly control the investment decisions made in these vehicles; income from seminars, lectures, or teaching engagements sponsored by a Federal, state, or local government agency, an Institution of higher education as defined at [20 U.S.C. 1001\(a\)](#), an academic teaching hospital, a medical center, or a research institute that is affiliated with an Institution of higher education; or income from service on advisory committees or review panels for a Federal, state, or local government agency, an Institution of higher education as defined at [20 U.S.C. 1001\(a\)](#), an academic teaching hospital, a medical center, or a research institute that is affiliated with an Institution of higher education.

Small Business Innovation Research (SBIR) Program means the extramural research program for small businesses that is established by the Awarding Components of the Public Health Service and certain other Federal agencies under Public Law 97-219, the Small Business Innovation Development Act, as amended. For purposes of this subpart, the term SBIR Program also includes the Small Business Technology Transfer (STTR) Program, which was established by Public Law 102-564.



§ 50.604 Responsibilities of Institutions regarding Investigator financial conflicts of interest.

Each Institution shall:

(a) Maintain an up-to-date, written, enforced policy on financial conflicts of interest that complies with this subpart, and make such policy available via a publicly accessible Web site. If the Institution does not have any current presence on a publicly accessible Web site (and only in those cases), the Institution shall make its written policy available to any requestor within five business days of a request. If, however, the Institution acquires a presence on a publicly accessible Web site during the time of the PHS award, the requirement to post the information on that Web site will apply within 30 calendar days. If an Institution maintains a policy on financial conflicts of interest that includes standards that are more stringent than this subpart (e.g., that require a more extensive disclosure of financial interests), the Institution shall adhere to its policy and shall provide FCOI reports regarding identified financial conflicts of interest to the PHS Awarding Component in accordance with the Institution's own standards and within the timeframe prescribed by this subpart.

(b) Inform each Investigator of the Institution's policy on financial conflicts of interest, the Investigator's responsibilities regarding disclosure of significant financial interests, and of these regulations, and require each Investigator to complete training regarding the same prior to engaging in research related to any PHS-funded grant and at least every four years, and immediately when any of the following circumstances apply:

(1) The Institution revises its financial conflict of interest policies or procedures in any manner that affects the requirements of Investigators;

(2) An Investigator is new to an Institution; or

(3) An Institution finds that an Investigator is not in compliance with the Institution's financial conflict of interest policy or management plan.

(c) If the Institution carries out the PHS-funded research through a subrecipient (e.g., subcontractors or consortium members), the Institution (awardee Institution) must take reasonable steps to ensure that any subrecipient Investigator complies with this subpart by:

(1) Incorporating as part of a written agreement with the subrecipient terms that establish whether the financial conflicts of interest policy of the awardee Institution or that of the subrecipient will apply to the subrecipient's Investigators.

(i) If the subrecipient's Investigators must comply with the subrecipient's financial conflicts of interest policy, the subrecipient shall certify as part of the agreement referenced above that its policy complies with this subpart. If the subrecipient cannot provide such certification, the agreement shall state that subrecipient Investigators are subject to the financial conflicts of interest policy of the awardee Institution for disclosing significant financial interests that are directly related to the subrecipient's work for the awardee Institution;

(ii) Additionally, if the subrecipient's Investigators must comply with the subrecipient's financial conflicts of interest policy, the agreement referenced above



shall specify time period(s) for the subrecipient to report all identified financial conflicts of interest to the awardee Institution. Such time period(s) shall be sufficient to enable the awardee Institution to provide timely FCOI reports, as necessary, to the PHS as required by this subpart;

(iii) Alternatively, if the subrecipient's Investigators must comply with the awardee Institution's financial conflicts of interest policy, the agreement referenced above shall specify time period(s) for the subrecipient to submit all Investigator disclosures of significant financial interests to the awardee Institution. Such time period(s) shall be sufficient to enable the awardee Institution to comply timely with its review, management, and reporting obligations under this subpart.

(2) Providing FCOI reports to the PHS Awarding Component regarding all financial conflicts of interest of all subrecipient Investigators consistent with this subpart, *i.e.*, prior to the expenditure of funds and within 60 days of any subsequently identified FCOI.

(d) Designate an institutional official(s) to solicit and review disclosures of significant financial interests from each Investigator who is planning to participate in, or is participating in, the PHS-funded research.

(e)

(1) Require that each Investigator who is planning to participate in the PHS-funded research disclose to the Institution's designated official(s) the Investigator's significant financial interests (and those of the Investigator's spouse and dependent children) no later than the time of application for PHS-funded research.

(2) Require each Investigator who is participating in the PHS-funded research to submit an updated disclosure of significant financial interests at least annually, in accordance with the specific time period prescribed by the Institution, during the period of the award. Such disclosure shall include any information that was not disclosed initially to the Institution pursuant to paragraph (e)(1) of this section, or in a subsequent disclosure of significant financial interests (e.g., any financial conflict of interest identified on a PHS-funded project that was transferred from another Institution), and shall include updated information regarding any previously disclosed significant financial interest (e.g., the updated value of a previously disclosed equity interest).

(3) Require each Investigator who is participating in the PHS-funded research to submit an updated disclosure of significant financial interests within thirty days of discovering or acquiring (e.g., through purchase, marriage, or inheritance) a new significant financial interest.

(f) Provide guidelines consistent with this subpart for the designated institutional official(s) to determine whether an Investigator's significant financial interest is related to PHS-funded research and, if so related, whether the significant financial interest is a financial conflict of interest. An Investigator's significant financial interest is related to PHS-funded research when the Institution, through its designated official(s), reasonably determines that the significant financial interest: could be affected by the PHS-funded research; or is in an entity whose financial interest could be affected by



the research. The Institution may involve the Investigator in the designated official(s)'s determination of whether a significant financial interest is related to the PHS-funded research. A financial conflict of interest exists when the Institution, through its designated official(s), reasonably determines that the significant financial interest could directly and significantly affect the design, conduct, or reporting of the PHS-funded research.

(g) Take such actions as necessary to manage financial conflicts of interest, including any financial conflicts of a subrecipient Investigator pursuant to paragraph (c) of this section. Management of an identified financial conflict of interest requires development and implementation of a management plan and, if necessary, a retrospective review and a mitigation report pursuant to § [50.605\(a\)](#).

(h) Provide initial and ongoing FCOI reports to the PHS as required pursuant to § [50.605\(b\)](#).

(i) Maintain records relating to all Investigator disclosures of financial interests and the Institution's review of, and response to, such disclosures (whether or not a disclosure resulted in the Institution's determination of a financial conflict of interest) and all actions under the Institution's policy or retrospective review, if applicable, for at least three years from the date the final expenditures report is submitted to the PHS or, where applicable, from other dates specified in 45 CFR [74.53\(b\)](#) and [92.42](#) (b) for different situations.

(j) Establish adequate enforcement mechanisms and provide for employee sanctions or other administrative actions to ensure Investigator compliance as appropriate.

(k) Certify, in each application for funding to which this subpart applies, that the Institution:

(1) Has in effect at that Institution an up-to-date, written, and enforced administrative process to identify and manage financial conflicts of interest with respect to all research projects for which funding is sought or received from the PHS;

(2) Shall promote and enforce Investigator compliance with this subpart's requirements including those pertaining to disclosure of significant financial interests;

(3) Shall manage financial conflicts of interest and provide initial and ongoing FCOI reports to the PHS Awarding Component consistent with this subpart;

(4) Agrees to make information available, promptly upon request, to the HHS relating to any Investigator disclosure of financial interests and the Institution's review of, and response to, such disclosure, whether or not the disclosure resulted in the Institution's determination of a financial conflict of interest; and

(5) Shall fully comply with the requirements of this subpart.

§ 50.605 Management and reporting of financial conflicts of interest.

(a) Management of financial conflicts of interest.

(1) Prior to the Institution's expenditure of any funds under a PHS-funded research project, the designated official(s) of an Institution shall, consistent with § [50.604\(f\)](#): review all Investigator disclosures of significant financial interests; determine whether any significant financial interests relate to PHS-funded research; determine whether a financial conflict of interest exists; and, if so, develop and implement a management plan that shall specify the actions that have been, and shall be, taken to manage such



financial conflict of interest. Examples of conditions or restrictions that might be imposed to manage a financial conflict of interest include, but are not limited to:

- (i)** Public disclosure of financial conflicts of interest (e.g., when presenting or publishing the research);
 - (ii)** For research projects involving human subjects research, disclosure of financial conflicts of interest directly to participants;
 - (iii)** Appointment of an independent monitor capable of taking measures to protect the design, conduct, and reporting of the research against bias resulting from the financial conflict of interest;
 - (iv)** Modification of the research plan;
 - (v)** Change of personnel or personnel responsibilities, or disqualification of personnel from participation in all or a portion of the research;
 - (vi)** Reduction or elimination of the financial interest (e.g., sale of an equity interest);
- or
- (vii)** Severance of relationships that create financial conflicts.

(2) Whenever, in the course of an ongoing PHS-funded research project, an Investigator who is new to participating in the research project discloses a significant financial interest or an existing Investigator discloses a new significant financial interest to the Institution, the designated official(s) of the Institution shall, within sixty days: review the disclosure of the significant financial interest; determine whether it is related to PHS-funded research; determine whether a financial conflict of interest exists; and, if so, implement, on at least an interim basis, a management plan that shall specify the actions that have been, and will be, taken to manage such financial conflict of interest. Depending on the nature of the significant financial interest, an Institution may determine that additional interim measures are necessary with regard to the Investigator's participation in the PHS-funded research project between the date of disclosure and the completion of the Institution's review.

(3) Whenever an Institution identifies a significant financial interest that was not disclosed timely by an Investigator or, for whatever reason, was not previously reviewed by the Institution during an ongoing PHS-funded research project (e.g., was not timely reviewed or reported by a subrecipient), the designated official(s) shall, within sixty days: review the significant financial interest; determine whether it is related to PHS-funded research; determine whether a financial conflict of interest exists; and, if so:

- (i)** Implement, on at least an interim basis, a management plan that shall specify the actions that have been, and will be, taken to manage such financial conflict of interest going forward;

- (ii)**

- (A)** In addition, whenever a financial conflict of interest is not identified or managed in a timely manner including failure by the Investigator to disclose a significant financial interest that is determined by the Institution to constitute a financial conflict of interest; failure by the Institution to review or manage such a financial conflict of interest; or failure by the Investigator to comply with a financial conflict of interest



management plan, the Institution shall, within 120 days of the Institution's determination of noncompliance, complete a retrospective review of the Investigator's activities and the PHS-funded research project to determine whether any PHS-funded research, or portion thereof, conducted during the time period of the noncompliance, was biased in the design, conduct, or reporting of such research.

(B) The Institution is required to document the retrospective review; such documentation shall include, but not necessarily be limited to, all of the following key elements:

- (1) Project number;
- (2) Project title;
- (3) PD/PI or contact PD/PI if a multiple PD/PI model is used;
- (4) Name of the Investigator with the FCOI;
- (5) Name of the entity with which the Investigator has a financial conflict of interest;
- (6) Reason(s) for the retrospective review;
- (7) Detailed methodology used for the retrospective review (e.g., methodology of the review process, composition of the review panel, documents reviewed);
- (8) Findings of the review; and
- (9) Conclusions of the review.

(iii) Based on the results of the retrospective review, if appropriate, the Institution shall update the previously submitted FCOI report, specifying the actions that will be taken to manage the financial conflict of interest going forward. If bias is found, the Institution is required to notify the PHS Awarding Component promptly and submit a mitigation report to the PHS Awarding Component. The mitigation report must include, at a minimum, the key elements documented in the retrospective review above and a description of the impact of the bias on the research project and the Institution's plan of action or actions taken to eliminate or mitigate the effect of the bias (e.g., impact on the research project; extent of harm done, including any qualitative and quantitative data to support any actual or future harm; analysis of whether the research project is salvageable). Thereafter, the Institution will submit FCOI reports annually, as specified elsewhere in this subpart. Depending on the nature of the financial conflict of interest, an Institution may determine that additional interim measures are necessary with regard to the Investigator's participation in the PHS-funded research project between the date that the financial conflict of interest or the Investigator's noncompliance is determined and the completion of the Institution's retrospective review.

(4) Whenever an Institution implements a management plan pursuant to this subpart, the Institution shall monitor Investigator compliance with the management plan on an ongoing basis until the completion of the PHS-funded research project.

(5)

(i) Prior to the Institution's expenditure of any funds under a PHS-funded research project, the Institution shall ensure public accessibility, via a publicly accessible Web site or written response to any requestor within five business days of a request, of



information concerning any significant financial interest disclosed to the Institution that meets the following three criteria:

(A) The significant financial interest was disclosed and is still held by the senior/key personnel as defined by this subpart;

(B) The Institution determines that the significant financial interest is related to the PHS-funded research; and

(C) The Institution determines that the significant financial interest is a financial conflict of interest.

(ii) The information that the Institution makes available via a publicly accessible Web site or written response to any requestor within five business days of a request, shall include, at a minimum, the following: the Investigator's name; the Investigator's title and role with respect to the research project; the name of the entity in which the significant financial interest is held; the nature of the significant financial interest; and the approximate dollar value of the significant financial interest (dollar ranges are permissible: \$0-\$4,999; \$5,000-\$9,999; \$10,000-\$19,999; amounts between \$20,000-\$100,000 by increments of \$20,000; amounts above \$100,000 by increments of \$50,000), or a statement that the interest is one whose value cannot be readily determined through reference to public prices or other reasonable measures of fair market value.

(iii) If the Institution uses a publicly accessible Web site for the purposes of this subsection, the information that the Institution posts shall be updated at least annually. In addition, the Institution shall update the Web site within sixty days of the Institution's receipt or identification of information concerning any additional significant financial interest of the senior/key personnel for the PHS-funded research project that was not previously disclosed, or upon the disclosure of a significant financial interest of senior/key personnel new to the PHS-funded research project, if the Institution determines that the significant financial interest is related to the PHS-funded research and is a financial conflict of interest. The Web site shall note that the information provided is current as of the date listed and is subject to updates, on at least an annual basis and within 60 days of the Institution's identification of a new financial conflict of interest. If the Institution responds to written requests for the purposes of this subsection, the Institution will note in its written response that the information provided is current as of the date of the correspondence and is subject to updates, on at least an annual basis and within 60 days of the Institution's identification of a new financial conflict of interest, which should be requested subsequently by the requestor.

(iv) Information concerning the significant financial interests of an individual subject to paragraph (a)(5) of this section shall remain available, for responses to written requests or for posting via the Institution's publicly accessible Web site for at least three years from the date that the information was most recently updated.

(6) In addition to the types of financial conflicts of interest as defined in this subpart that must be managed pursuant to this section, an Institution may require the



management of other financial conflicts of interest in its policy on financial conflicts of interest, as the Institution deems appropriate.

(b) Reporting of financial conflicts of interest.

(1) Prior to the Institution's expenditure of any funds under a PHS-funded research project, the Institution shall provide to the PHS Awarding Component an FCOI report regarding any Investigator's significant financial interest found by the Institution to be conflicting and ensure that the Institution has implemented a management plan in accordance with this subpart. In cases in which the Institution identifies a financial conflict of interest and eliminates it prior to the expenditure of PHS-awarded funds, the Institution shall not submit an FCOI report to the PHS Awarding Component.

(2) For any significant financial interest that the Institution identifies as conflicting subsequent to the Institution's initial FCOI report during an ongoing PHS-funded research project (e.g., upon the participation of an Investigator who is new to the research project), the Institution shall provide to the PHS Awarding Component, within sixty days, an FCOI report regarding the financial conflict of interest and ensure that the Institution has implemented a management plan in accordance with this subpart. Pursuant to paragraph (a)(3)(ii) of this section, where such FCOI report involves a significant financial interest that was not disclosed timely by an Investigator or, for whatever reason, was not previously reviewed or managed by the Institution (e.g., was not timely reviewed or reported by a subrecipient), the Institution also is required to complete a retrospective review to determine whether any PHS-funded research, or portion thereof, conducted prior to the identification and management of the financial conflict of interest was biased in the design, conduct, or reporting of such research. Additionally, pursuant to paragraph (a)(3)(iii) of this section, if bias is found, the Institution is required to notify the PHS Awarding Component promptly and submit a mitigation report to the PHS Awarding Component.

(3) Any FCOI report required under paragraphs (b)(1) or (b)(2) of this section shall include sufficient information to enable the PHS Awarding Component to understand the nature and extent of the financial conflict, and to assess the appropriateness of the Institution's management plan. Elements of the FCOI report shall include, but are not necessarily limited to the following:

(i) Project number;

(ii) PD/PI or Contact PD/PI if a multiple PD/PI model is used;

(iii) Name of the Investigator with the financial conflict of interest;

(iv) Name of the entity with which the Investigator has a financial conflict of interest;

(v) Nature of the financial interest (e.g., equity, consulting fee, travel reimbursement, honorarium);

(vi) Value of the financial interest (dollar ranges are permissible: \$0-\$4,999; \$5,000-\$9,999; \$10,000-\$19,999; amounts between \$20,000-\$100,000 by increments of \$20,000; amounts above \$100,000 by increments of \$50,000), or a statement that the interest is one whose value cannot be readily determined through reference to public prices or other reasonable measures of fair market value;



(vii) A description of how the financial interest relates to the PHS-funded research and the basis for the Institution's determination that the financial interest conflicts with such research; and

(viii) A description of the key elements of the Institution's management plan, including:

(A) Role and principal duties of the conflicted Investigator in the research project;

(B) Conditions of the management plan;

(C) How the management plan is designed to safeguard objectivity in the research project;

(D) Confirmation of the Investigator's agreement to the management plan;

(E) How the management plan will be monitored to ensure Investigator compliance; and

(F) Other information as needed.

(4) For any financial conflict of interest previously reported by the Institution with regard to an ongoing PHS-funded research project, the Institution shall provide to the PHS Awarding Component an annual FCOI report that addresses the status of the financial conflict of interest and any changes to the management plan for the duration of the PHS-funded research project. The annual FCOI report shall specify whether the financial conflict is still being managed or explain why the financial conflict of interest no longer exists. The Institution shall provide annual FCOI reports to the PHS Awarding Component for the duration of the project period (including extensions with or without funds) in the time and manner specified by the PHS Awarding Component.

(5) In addition to the types of financial conflicts of interest as defined in this subpart that must be reported pursuant to this section, an Institution may require the reporting of other financial conflicts of interest in its policy on financial conflicts of interest, as the Institution deems appropriate.

§ 50.605 Management and reporting of financial conflicts of interest.

(a) Management of financial conflicts of interest.

(1) Prior to the Institution's expenditure of any funds under a PHS-funded research project, the designated official(s) of an Institution shall, consistent with § [50.604\(f\)](#): review all Investigator disclosures of significant financial interests; determine whether any significant financial interests relate to PHS-funded research; determine whether a financial conflict of interest exists; and, if so, develop and implement a management plan that shall specify the actions that have been, and shall be, taken to manage such financial conflict of interest. Examples of conditions or restrictions that might be imposed to manage a financial conflict of interest include, but are not limited to:



- (i)** Public disclosure of financial conflicts of interest (e.g., when presenting or publishing the research);
 - (ii)** For research projects involving human subjects research, disclosure of financial conflicts of interest directly to participants;
 - (iii)** Appointment of an independent monitor capable of taking measures to protect the design, conduct, and reporting of the research against bias resulting from the financial conflict of interest;
 - (iv)** Modification of the research plan;
 - (v)** Change of personnel or personnel responsibilities, or disqualification of personnel from participation in all or a portion of the research;
 - (vi)** Reduction or elimination of the financial interest (e.g., sale of an equity interest);
or
 - (vii)** Severance of relationships that create financial conflicts.
- (2)** Whenever, in the course of an ongoing PHS-funded research project, an Investigator who is new to participating in the research project discloses a significant financial interest or an existing Investigator discloses a new significant financial interest to the Institution, the designated official(s) of the Institution shall, within sixty days: review the disclosure of the significant financial interest; determine whether it is related to PHS-funded research; determine whether a financial conflict of interest exists; and, if so, implement, on at least an interim basis, a management plan that shall specify the actions that have been, and will be, taken to manage such financial conflict of interest. Depending on the nature of the significant financial interest, an Institution may determine that additional interim measures are necessary with regard to the Investigator's participation in the PHS-funded research project between the date of disclosure and the completion of the Institution's review.
- (3)** Whenever an Institution identifies a significant financial interest that was not disclosed timely by an Investigator or, for whatever reason, was not previously reviewed by the Institution during an ongoing PHS-funded research project (e.g., was not timely reviewed or reported by a subrecipient), the designated official(s) shall, within sixty days: review the significant financial interest; determine whether it is related to PHS-funded research; determine whether a financial conflict of interest exists; and, if so:
- (i)** Implement, on at least an interim basis, a management plan that shall specify the actions that have been, and will be, taken to manage such financial conflict of interest going forward;
 - (ii)**
- (A)** In addition, whenever a financial conflict of interest is not identified or managed in a timely manner including failure by the Investigator to disclose a significant



financial interest that is determined by the Institution to constitute a financial conflict of interest; failure by the Institution to review or manage such a financial conflict of interest; or failure by the Investigator to comply with a financial conflict of interest management plan, the Institution shall, within 120 days of the Institution's determination of noncompliance, complete a retrospective review of the Investigator's activities and the PHS-funded research project to determine whether any PHS-funded research, or portion thereof, conducted during the time period of the noncompliance, was biased in the design, conduct, or reporting of such research.

(B) The Institution is required to document the retrospective review; such documentation shall include, but not necessarily be limited to, all of the following key elements:

- (1) Project number;
- (2) Project title;
- (3) PD/PI or contact PD/PI if a multiple PD/PI model is used;
- (4) Name of the Investigator with the FCOI;
- (5) Name of the entity with which the Investigator has a financial conflict of interest;
- (6) Reason(s) for the retrospective review;
- (7) Detailed methodology used for the retrospective review (e.g., methodology of the review process, composition of the review panel, documents reviewed);
- (8) Findings of the review; and
- (9) Conclusions of the review.

(iii) Based on the results of the retrospective review, if appropriate, the Institution shall update the previously submitted FCOI report, specifying the actions that will be taken to manage the financial conflict of interest going forward. If bias is found, the Institution is required to notify the PHS Awarding Component promptly and submit a mitigation report to the PHS Awarding Component. The mitigation report must include, at a minimum, the key elements documented in the retrospective review above and a description of the impact of the bias on the research project and the Institution's plan of action or actions taken to eliminate or mitigate the effect of the bias (e.g., impact on the research project; extent of harm done, including any qualitative and quantitative data to support any actual or future harm; analysis of whether the research project is salvageable). Thereafter, the Institution will submit FCOI reports annually, as specified elsewhere in this subpart. Depending on the nature of the financial conflict of interest, an Institution may determine that additional interim measures are necessary with regard to the Investigator's participation in the PHS-funded research project between the date that the financial conflict of interest or the Investigator's noncompliance is determined and the completion of the Institution's retrospective review.



(4) Whenever an Institution implements a management plan pursuant to this subpart, the Institution shall monitor Investigator compliance with the management plan on an ongoing basis until the completion of the PHS-funded research project.

(5)

(i) Prior to the Institution's expenditure of any funds under a PHS-funded research project, the Institution shall ensure public accessibility, via a publicly accessible Web site or written response to any requestor within five business days of a request, of information concerning any significant financial interest disclosed to the Institution that meets the following three criteria:

(A) The significant financial interest was disclosed and is still held by the senior/key personnel as defined by this subpart;

(B) The Institution determines that the significant financial interest is related to the PHS-funded research; and

(C) The Institution determines that the significant financial interest is a financial conflict of interest.

(ii) The information that the Institution makes available via a publicly accessible Web site or written response to any requestor within five business days of a request, shall include, at a minimum, the following: the Investigator's name; the Investigator's title and role with respect to the research project; the name of the entity in which the significant financial interest is held; the nature of the significant financial interest; and the approximate dollar value of the significant financial interest (dollar ranges are permissible: \$0-\$4,999; \$5,000-\$9,999; \$10,000-\$19,999; amounts between \$20,000-\$100,000 by increments of \$20,000; amounts above \$100,000 by increments of \$50,000), or a statement that the interest is one whose value cannot be readily determined through reference to public prices or other reasonable measures of fair market value.

(iii) If the Institution uses a publicly accessible Web site for the purposes of this subsection, the information that the Institution posts shall be updated at least annually. In addition, the Institution shall update the Web site within sixty days of the Institution's receipt or identification of information concerning any additional significant financial interest of the senior/key personnel for the PHS-funded research project that was not previously disclosed, or upon the disclosure of a significant financial interest of senior/key personnel new to the PHS-funded research project, if the Institution determines that the significant financial interest is related to the PHS-funded research and is a financial conflict of interest. The Web site shall note that the information provided is current as of the date listed and is subject to updates, on at least an annual basis and within 60 days of the Institution's identification of a new financial conflict of interest. If the Institution responds to written requests for the



purposes of this subsection, the Institution will note in its written response that the information provided is current as of the date of the correspondence and is subject to updates, on at least an annual basis and within 60 days of the Institution's identification of a new financial conflict of interest, which should be requested subsequently by the requestor.

(iv) Information concerning the significant financial interests of an individual subject to paragraph (a)(5) of this section shall remain available, for responses to written requests or for posting via the Institution's publicly accessible Web site for at least three years from the date that the information was most recently updated.

(6) In addition to the types of financial conflicts of interest as defined in this subpart that must be managed pursuant to this section, an Institution may require the management of other financial conflicts of interest in its policy on financial conflicts of interest, as the Institution deems appropriate.

(b) Reporting of financial conflicts of interest.

(1) Prior to the Institution's expenditure of any funds under a PHS-funded research project, the Institution shall provide to the PHS Awarding Component an FCOI report regarding any Investigator's significant financial interest found by the Institution to be conflicting and ensure that the Institution has implemented a management plan in accordance with this subpart. In cases in which the Institution identifies a financial conflict of interest and eliminates it prior to the expenditure of PHS-awarded funds, the Institution shall not submit an FCOI report to the PHS Awarding Component.

(2) For any significant financial interest that the Institution identifies as conflicting subsequent to the Institution's initial FCOI report during an ongoing PHS-funded research project (e.g., upon the participation of an Investigator who is new to the research project), the Institution shall provide to the PHS Awarding Component, within sixty days, an FCOI report regarding the financial conflict of interest and ensure that the Institution has implemented a management plan in accordance with this subpart. Pursuant to paragraph (a)(3)(ii) of this section, where such FCOI report involves a significant financial interest that was not disclosed timely by an Investigator or, for whatever reason, was not previously reviewed or managed by the Institution (e.g., was not timely reviewed or reported by a subrecipient), the Institution also is required to complete a retrospective review to determine whether any PHS-funded research, or portion thereof, conducted prior to the identification and management of the financial conflict of interest was biased in the design, conduct, or reporting of such research. Additionally, pursuant to paragraph (a)(3)(iii) of this section, if bias is found, the Institution is required to notify the PHS Awarding Component promptly and submit a mitigation report to the PHS Awarding Component.



(3) Any FCOI report required under paragraphs (b)(1) or (b)(2) of this section shall include sufficient information to enable the PHS Awarding Component to understand the nature and extent of the financial conflict, and to assess the appropriateness of the Institution's management plan. Elements of the FCOI report shall include, but are not necessarily limited to the following:

- (i)** Project number;
- (ii)** PD/PI or Contact PD/PI if a multiple PD/PI model is used;
- (iii)** Name of the Investigator with the financial conflict of interest;
- (iv)** Name of the entity with which the Investigator has a financial conflict of interest;
- (v)** Nature of the financial interest (e.g., equity, consulting fee, travel reimbursement, honorarium);
- (vi)** Value of the financial interest (dollar ranges are permissible: \$0-\$4,999; \$5,000-\$9,999; \$10,000-\$19,999; amounts between \$20,000-\$100,000 by increments of \$20,000; amounts above \$100,000 by increments of \$50,000), or a statement that the interest is one whose value cannot be readily determined through reference to public prices or other reasonable measures of fair market value;
- (vii)** A description of how the financial interest relates to the PHS-funded research and the basis for the Institution's determination that the financial interest conflicts with such research; and
- (viii)** A description of the key elements of the Institution's management plan, including:
 - (A)** Role and principal duties of the conflicted Investigator in the research project;
 - (B)** Conditions of the management plan;
 - (C)** How the management plan is designed to safeguard objectivity in the research project;
 - (D)** Confirmation of the Investigator's agreement to the management plan;
 - (E)** How the management plan will be monitored to ensure Investigator compliance; and
 - (F)** Other information as needed.

(4) For any financial conflict of interest previously reported by the Institution with regard to an ongoing PHS-funded research project, the Institution shall provide to the PHS Awarding Component an annual FCOI report that addresses the status of the financial conflict of interest and any changes to the management plan for the duration of the PHS-funded research project. The annual FCOI report shall specify whether the financial conflict is still being managed or explain why the financial conflict of interest no longer exists. The Institution shall provide annual FCOI reports to the PHS Awarding Component for the duration of the project period (including extensions with or without funds) in the time and manner specified by the PHS Awarding Component.



(5) In addition to the types of financial conflicts of interest as defined in this subpart that must be reported pursuant to this section, an Institution may require the reporting of other financial conflicts of interest in its policy on financial conflicts of interest, as the Institution deems appropriate.



§ 50.606 Remedies.

(a) If the failure of an Investigator to comply with an Institution's financial conflicts of interest policy or a financial conflict of interest management plan appears to have biased the design, conduct, or reporting of the PHS-funded research, the Institution shall promptly notify the PHS Awarding Component of the corrective action taken or to be taken. The PHS Awarding Component will consider the situation and, as necessary, take appropriate action, or refer the matter to the Institution for further action, which may include directions to the Institution on how to maintain appropriate objectivity in the PHS-funded research project. PHS may, for example, require Institutions employing such an Investigator to enforce any applicable corrective actions prior to a PHS award or when the transfer of a PHS grant(s) involves such an Investigator.

(b) The PHS Awarding Component and/or HHS may inquire at any time before, during, or after award into any Investigator disclosure of financial interests and the Institution's review (including any retrospective review) of, and response to, such disclosure, regardless of whether the disclosure resulted in the Institution's determination of a financial conflict of interest. An Institution is required to submit, or permit on site review of, all records pertinent to compliance with this subpart. To the extent permitted by law, HHS will maintain the confidentiality of all records of financial interests. On the basis of its review of records or other information that may be available, the PHS Awarding Component may decide that a particular financial conflict of interest will bias the objectivity of the PHS-funded research to such an extent that further corrective action is needed or that the Institution has not managed the financial conflict of interest in accordance with this subpart. The PHS Awarding Component may determine that imposition of special award conditions under 45 CFR [74.14](#) and [92.12](#), or suspension of funding or other enforcement action under 45 CFR [74.62](#) and [92.43](#), is necessary until the matter is resolved.

(c) In any case in which the HHS determines that a PHS-funded project of clinical research 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 a financial conflict of interest that was not managed or reported by the Institution as required by this subpart, the Institution shall require the Investigator involved to disclose the financial conflict of interest in each public presentation of the results of the research and to request an addendum to previously published presentations.

