

AMERICAN SOCIETY FOR METABOLIC AND BARIATRIC SURGERY

CONFLICT OF INTEREST POLICY

Adopted by the Executive Council on: October 8, 2006 (Draft Approved with Revisions)

1.0 Statement of Purpose

This Conflict of Interest Policy is adopted by the American Society for Metabolic and Bariatric Surgery (the "Society") in an effort to assure the integrity of deliberations and decisions of the Society and to promote full disclosure of relationships which might otherwise influence the various activities of the Society.

The Society understands that participation in the activities of the Society by its members is voluntary and that members have numerous economic, professional and business relationships both within and outside the bariatric surgery community. The Society does not view the existence of these relationships as necessarily implying bias. The Society believes that disclosure of relationships which *may* suggest bias will help ensure that decisions are made in the best interests of the Society, and will promote greater intellectual honesty with respect to the Society's educational and policy making missions.

2.0 Covered Persons

This policy applies to the following persons:

- 2.1 Members of the Executive Council of the Society.
- 2.2 Members of the Allied Health Sciences Section Executive Council.
- 2.3 Chairs of all committees and subcommittees of the Society.
- 2.4. The Executive Director of the Society.

The foregoing are referred to as "Covered Persons".

Educational course directors and presenters, the editor of SOARD and members of the SOARD editorial board, and authors and presenters of papers at Society functions are governed by the specific disclosure rules and policies established by the appropriate program committee or the SOARD editorial board.

3.0 Potential Conflicts of Interest Requiring Disclosure

The following situations create a potential conflict of interest which must be disclosed as set forth in section 4.0:

3.1 Material Financial Interest: A Covered Person who has a Material Financial Interest in or with any company, vendor, organization or person who either has a relationship, transaction or arrangement with the Society, or who is involved in commercial or academic activities likely to influence the bariatric surgery community, must disclose the interest. "Material Financial Interest" means:

3.1.1 A relationship as an employee, compensated consultant, owner, partner, shareholder, or compensated officer, director or trustee, of or in any company, vendor, organization or person. "Owner" means more than a de minimis legal or equitable interest, subject to the following: 1) ownership of an interest in a pension, mutual or other common investment fund that holds securities is not a Material Financial Interest unless the Member participates in the management of the fund; 2) except as set forth in 1), ownership of publicly traded securities, including unexercised stock options, is a Material Financial Interest requiring disclosure.

3.1.2 A compensation arrangement with the Society, or with any person or entity with which the Society has a relationship, transaction or arrangement, or with which the Society is negotiating a relationship, transaction or arrangement.

3.1.3 A potential ownership or investment interest in, or compensation arrangement with, any person or entity with which the Society is negotiating a relationship, transaction or arrangement.

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

3.2 Uncompensated consultants, officers, directors and trustees. A Covered Person has a relationship which must be disclosed if the Covered Person serves without compensation as a consultant, officer, director, fiduciary, trustee or agent for any person or entity with which the Society has a relationship, transaction or arrangement, or with which the Society is negotiating a transaction or relationship, or who is involved in commercial or academic activities likely to influence the bariatric surgery community.

3.3 Relationships of family members. A Covered Person has a relationship which must be disclosed if the person has an immediate family member who has an interest described in 3.1 or 3.2.

3.4 Policy in Favor of Disclosure. It is the intent of this Conflict of Interest policy to encourage disclosure of financial or other relationships which *may* suggest bias.

4.0 Disclosures and Actions Required

4.1 Annual Disclosure Statement. All Covered Persons shall complete and submit a conflict of interest disclosure statement setting forth all potential conflicts of interest and relationships as described in section 3.0. The form will be submitted annually and shall be maintained in the Society's business office.

4.2 General Recusal from Participation. If a Covered Person has a relationship requiring disclosure under section 3.0, that person shall generally be recused from participating in any actions, including voting, involving the subject matter of the disclosure.

4.3 Disclosure Required During Meetings. If during a meeting or deliberations of a committee or subcommittee of the Society a member determines that a disclosable relationship as described in section 3.0 exists, the member shall disclose the potential conflict and shall recuse themselves from any vote related to the disclosed relationship. In the discretion of the committee or subcommittee chair, or if the conflict involves the chair, a majority of the committee members present, the member disclosing the conflict may be recused from participating in any relevant discussions concerning the subject matter of the disclosure. The disclosure, the member's recusal from voting, and whether the member participated in any discussion shall be reflected in the minutes.

4.4 Disclosure by Members Not Present. If a member of a committee or subcommittee who is not able to attend a meeting determines that an issue to come before the committee involves a disclosable relationship as described in section 3.0, the member shall advise the chair of the conflict. The conflict shall be disclosed to the members at the meeting and shall be reflected in the minutes.

4.5 Disclosures by Authors and Presenters. Authors and presenters of publications and materials presented at Society functions or to the Society's journal shall disclose their disclosable relationships in accordance with policies established by the appropriate program committee or the journal editorial board.

4.6 Disclosures by Staff. Staff members, including the Executive Director, directly involved in negotiations or discussions with third parties on behalf of the Society must disclose any relationship as set forth in section 3.0. Generally, a staff member with a disclosable relationship should not be involved in negotiations or transactions involving a party with whom the staff member has a disclosable interest. Staff members shall inform the Executive Director of any disclosable relationship. The Executive Director shall inform the President of the Society of any disclosable relationships involving the Executive Director and a particular transaction or negotiation.

4.7 Corporate Transactions Involving Interested Persons. The following specific procedure applies to any proposed transaction or arrangement with the Society involving a Covered Person who has a relationship with a party to the transaction or other relationship requiring disclosure under section 3.0. Generally, this situation will be limited to members of the Executive Council, as the Executive Council has sole final authority to authorize transactions or contractual relationships between the Society and third parties.

4.7.1 A Covered Person who has a disclosable relationship under section 3.0 with a party to a corporate transaction involving the Society shall disclose the existence and nature of his or her relationship with the party. After disclosure of the relationship, the person making the disclosure shall be excused from the meeting while the relationship is discussed. If the disinterested members present determine that a conflict of interest as set forth in this policy exists, the members, or a committee appointed for that purpose, shall investigate alternatives to the proposed transaction or arrangement.

4.7.2 After exercising due diligence, the disinterested members shall determine whether the corporation 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.

4.7.3 If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the members shall determine by a majority vote of the disinterested members 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 members shall make their decision as to whether to enter into the transaction or arrangement in conformity with such determination. The minutes shall reflect all actions taken under this policy with respect to the transaction.

5.0 General Provisions

5.1 The Conflict of Interest policy shall be provided to all Covered Persons upon assuming a position with the Society and shall be posted on the Society's website for all members. In addition to the annual conflict of interest disclosure statement, each Covered Person shall sign a statement affirming that he or she has i) received a copy of the Society's Conflict of Interest Policy; ii) has read and understands the policy; iii) agrees to comply with the policy. The acknowledgement shall be executed by a Covered Person upon assuming their position with the Society.

5.2 The Conflict of Interest policy shall be reviewed periodically by the Executive Council, and any revisions to the policy shall be promptly circulated to all Covered Persons.

5.3 A person with a disclosable relationship shall be counted for purposes of determining a quorum at any meeting even if the person is recused from voting at the meeting.

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