

LynxDx, Inc

Financial Conflict of Interest Policy

1. *Introduction*

LynxDx, Inc. (Lynx) is committed to ensuring that members of the Lynx staff are provided an open and productive environment in which to conduct research and carry out administrative responsibilities. The concern with conflict of interest (COI) reflects the complexity of our society, relations with each other and outside institutions, legal obligations and developments, and the significance of the issue to the public.

Conflict of interest, which arises when a secondary objective could affect the performance of a person's primary mission, is a normal part of human existence. The potential for financial gain is one of many potential incentives that can lead to bias in a subjective activity, often subtle and unrecognized by the affected individual. Lynx is committed to advancing knowledge, including accelerating the translation of novel research ideas into practice. The application of knowledge, its dissemination and utilization, involves engagement with outside institutions and persons. Thus, Lynx must have policies that both encourage interaction with outside institutions and persons, and at the same time define ground rules so individuals have clear boundaries within which to operate. There should be a balance between engagement with outside entities that may have economic incentives, and the professional expectations of staff at Lynx, so that research and administrative responsibilities are performed in a manner that maintains the utmost in integrity and objectivity.

2. *Definitions*

Financial Conflict of Interest: A financial interest that could directly and significantly affect the design, conduct or reporting of funded research, or the performance of duties and responsibilities on behalf of Lynx. A financial COI can exist in a variety of situations, including the following examples:

- i. **Purchasing:** A financial interest that could directly and significantly affect a purchasing decision. Examples of such decisions are purchases of equipment, supplies, and services.
- ii. **Research:** A financial interest that could directly and significantly affect the design, conduct, or reporting of research. Financial COI is present in a situation in which a primary interest or responsibility is affected, perhaps unduly, by a secondary interest or responsibility. This means that a subjective component of a primary interest (e.g. research) is affected, or potentially affected, by a financial secondary interest, either ongoing (e.g. consulting) or where there is the potential for increased valuation (of stock or an option). Financial COI is present when the outcome of the research could affect future income or the value of an asset (including an option for equity).

Individual: Any person who is independently responsible for making decisions regarding research, purchasing, or administrative responsibilities. For any one individual, the policy includes a financial interest of any immediate family member (spouse or spousal equivalent, and dependent children) as if any financial interest of that family member were one of the individuals.

Research: A project intended to develop new and generalizable knowledge or to be presented in support of regulatory applications.

Financial Interest: Anything of monetary value or potential monetary value that reasonably appears to be related to the individual's duties and responsibilities, including, but not limited to:

- Payment for service (e.g., a consulting fee), except as otherwise excluded by this policy.
- A gift (e.g., money, hospitality, or a physical item).
- An equity interest (e.g., stock, stock option, security, or other ownership interest).
- An intellectual property right (e.g., a patent, copyright, or royalty from such right); and
- Other interests as determined by Lynx. For example, a financial interest may only have potential to be of value, like an option in a non-publicly traded company. Because this potential value may be an economic incentive, a situation like this is considered a financial interest.



LynxDx, Inc Financial Conflict of Interest Policy

3. *Governing Principles*

Statement of Policy

It is the policy of Lynx that an individual has an obligation to avoid any financial COI for which an approved management plan cannot or has not been developed and approved, through the appropriate individual and all involved parties.

Identification of Potential Conflicts of Interest

An individual will be required to report to Lynx her/his financial interests on an annual basis and at the time of a reportable change. Lynx reserves the right to request additional information, as deemed necessary.

Establishment of Conflict of Interest Committees

A conflict-of-interest committee will be appointed by CEO.

Procedures for Conflict of Interest Operations

Implementation procedures for this policy and the relevant COI committee will be determined by the committee, with the approval of the appropriate senior official or her/his designee. Financial thresholds for relationships requiring management will be included in the operating procedures for the COI committee.

Management of Potential Conflicts of Interest

When a potential financial conflict of interest exists, the applicable conflict of interest committee will take appropriate action, which may include the elimination of the financial conflict of interest, approval of a management plan, or adoption of an alternative course of action.

Lynx Conflict of Interest Disclosure Form

Annually certain staff members are required to submit a conflict-of-interest disclosure form which can be found in Lynx's Data Room files FCOI Policy and Procedures.