

**STANDARD TERMS AND CONDITIONS
FOR
EDUCATIONAL GRANT AGREEMENTS**

Note: BMS will not negotiate the provisions in these Standard Terms and Conditions.

A. OBLIGATIONS OF GRANTEE

1. Content.
 - a. Grantee will maintain full control over, and Grantor will not be involved in or have any control over (directly or indirectly), the planning, content, organization, operation, quality, scientific integrity, implementation, and evaluation of the activity, as well as the selection of speakers, moderators, authors, editors, guest contributors, and other faculty for the activity.
 - b. The content of the activity shall be non-promotional in tone and nature. Furthermore, Grantor's support of the activity shall be contingent on Grantee's providing information in connection with the activity that is fair, balanced, scientifically rigorous, accurate and not misleading.
 - c. All materials prepared for the activity will be and remain the exclusive property of Grantee, to be published and distributed consistent with this Agreement and as Grantee may determine in its sole discretion.
2. Financial Support for Participants.
 - a. Grantee will ensure that grant funds used to pay the lodging, travel, meal, and honorarium costs of faculty participants are consistent with Grantor guidelines governing such expenses. In particular, Grantee will ensure that no individual faculty participant receives cumulative honoraria or other compensation in excess of \$20,000.00 in relation to the activities supported in whole or in part by this Grant.
 - b. Grantee agrees that this grant will not be used to pay travel, lodging, honoraria, or personal expenses for non-faculty attendees of, or participants in, the activity. Grantee may, however, use these funds to reduce the registration fees of all non-faculty attendees or participants.
3. Social Events.
 - a. With the exception of modest receptions or meals conducted solely for faculty members, all other meals or receptions or social events held in connection with the activity will be open to all participants. Grantee will also ensure that any such event is conducive to discussion among faculty and attendees.
 - b. The nature and scheduling of any social event (e.g., meals, recreation, entertainment) held in connection with the activity is at the sole discretion of Grantee. Any such event will not, however, compete with or take precedence over, and will be clearly subordinate (both in time and costs) to, the educational components of the activity.
 - c. Grantee will ensure that all meal costs associated with the activities are consistent with Grantor guidelines that have been established to govern expenses of meals and entertainment in various venues.
4. Enduring Materials.
 - a. Grantee understands that Grantor does not make educational grants solely for the distribution of

enduring materials (e.g., printed, recorded or computer-based materials) that are already in existence. Thus, to the extent that this grant includes support for the distribution of enduring materials, Grantee agrees that this grant will also be used to develop the content of such materials. If this Grant funds the entire cost of the development and distribution of such materials, Grantee will not charge recipients for such materials. If this grant partially funds such materials, Grantee will reduce the costs of such materials in an appropriate and fair manner.

- b. Grantee represents and warrants that it fully understands Grantor policies governing so-called "push CE" and the distribution of enduring materials. Except as may be otherwise provided by those policies, Grantee will only distribute enduring materials upon the receipt of a documented indication of interest specifically from the party requesting such materials.

5. Disclosure. As a condition of Grantee's funding the activity as provided in this Agreement, Grantee shall disclose, at the activity (or in connection with the activity, in the case of enduring materials), BMS' financial support of the activity and any financial relationships that Grantor may have with any faculty, speakers or organizers.

**B. RESTRICTIONS GOVERNING
GRANTOR INVOLVEMENT**

1. Content Development. Grantor shall have no involvement (direct or indirect) in scripting, targeting of points for emphasis, or other practices that dictate or influence the content of any activity funded by this grant. Without limiting the generality of the foregoing, Grantor will not, directly or indirectly:
 - a. Prepare audiovisual or graphical materials for use in connection with the activity;
 - b. Provide any data or other information to assist in the development of any educational or presentation materials;
 - c. Review, comment on or check for accuracy any materials for use in connection with the activity; or
 - d. Provide any logistical support for the activity, such as assistance with securing activity locations.
2. Selection of Faculty. As between Grantor and Grantee, the selection of faculty (presenters, authors, moderators, etc.) for the activity is entirely Grantee's responsibility. Grantor will not, directly or indirectly, provide any suggestions of faculty, nor will Grantee provide any feedback on proposed faculty.
3. Attendance. Subject to Grantor's internal policies, Grantor representatives may be present for the activity unless any relevant guidelines adopted by Grantee do not permit such attendance. Where attendance is permitted, Grantor representatives may not engage in sales activities while in the room where the activity takes place.

**C. GENERAL PROVISIONS AND REPRESENTATIONS
GOVERNING USE OF GRANT FUNDS**

1. Purpose. This Grant is intended to, and will only be used for, support of the reasonable costs of the proposed activity as specified above and described in more detail in the Grant Request. Grantee may not, under any circumstances, use this grant to defray its

ordinary or customary operating expenses or to fund payments for consulting or other services or goods provided to Grantor. Grantee represents and warrants that funds received from Grantor will only be utilized as set forth in the Grant Request.

2. Additional Funding. Grantee acknowledges and agrees that no funds from Grantor will be provided for or in connection with the activity other than those funds contemplated by this grant, and that no separate payments will be made to any other person for their involvement in or support of the activity. Grantee understands that Grantor will not approve requests for additional funding of the activity nor will it approve requests for funding to conduct additional programs or distribution of enduring materials that stem from the activity that is supported by this Grant.

3. Professional Standards. Grantee represents that it possesses the requisite facilities, personnel, experience and expertise sufficient in quality and quantity to carry out the activity, and that it will conduct the activity in a manner commensurate with professional standards generally applicable to its industry.

4. Third Parties. Grantee may delegate responsibility for receiving and disbursing funds from this grant to a third party(ies), so long as such third party(ies) has been identified by name in this Agreement. In such cases, Grantee will ensure by written agreement that any third party that is involved in performing or facilitating the activity funded by this grant will comply with all of the terms and conditions set forth in this Agreement.

5. Ensuring Independence of Content.

a. Grantee and any Partner(s) shall not permit any individual who assists Grantor with, or provides advice to Grantor in, the development of promotional materials, tactics or strategies (collectively, "Promotional Development Activities") or who has done so in the past 24 months, to be involved in the development or implementation of the activity(ies) supported by this grant. Grantee and any Partner(s) shall make adequate inquiry to ensure compliance with this provision.

b. Consistent with Section 1.1 of the ACCME's Standards for Commercial Support of Continuing Medical Education, Grantee represents and warrants, on behalf of itself and any Partner(s), that Grantee and any Partner(s) have completed any changes to their respective organizational structures so that the activity(ies) proposed to be funded by this grant will be independent and free of control from any organization defined by the ACCME as a "commercial interest." According to the ACCME, a "commercial interest" is any entity producing, marketing, re-selling, or distributing health care goods or services consumed by, or used on, patients.

c. In this regard, the ACCME regards a person or organization that creates advertising or buys advertising space on behalf of a commercial interest as being involved in the marketing of that commercial interest's products and/or services.

d. Grantee represents and warrants, on behalf of itself and any Partner(s), that the following decisions were made free of the control of any "commercial interest":

- i. the identification of CME needs;
- ii. determination of educational objectives;
- iii. selection and presentation of content;
- iv. selection of all persons and organizations that will be in a position to control the content of the activity;
- v. selection of educational methods; and evaluation of the activity; and.

6. Grant Payment; Reconciliation. Grantee and any Partner(s) acknowledge that in order to assess actual costs against the proposed budget submitted to Grantor, it is the policy of Grantor that grants equal to or in excess of \$50,000 be paid to grant recipients in two installments. Therefore, an initial payment equal to 65% of the grant amount awarded shall be paid following the execution of this Agreement by Grantor. Payment of the remaining 35% of the grant amount shall be contingent upon completion of Grantor's reconciliation process following completion of the proposed activity. If the reconciliation is not completed by Grantee and received by Grantor within 90 days of the program end date, the remaining funds will be permanently forfeited by Grantee and any Partner(s). (If the program end date changes from what is stated in the Grant Request, it is the responsibility of the Grantee to promptly inform the Grantor in writing prior to commencing the reconciliation.) Reconciliation will not be complete unless and until all reconciliation reports required by Grantor are received by Grantor. Grantee and Partner(s) acknowledge and agree that, in the event that the actual costs of the proposed activity for which grant funds are approved are lower (as reflected on the actual program cost form submitted to Grantor) than the costs set forth in the final grant budget submitted to Grantor in the Grant Request, Grantor shall accordingly reduce the amount of the second payment.

7. Accountability. In addition to the foregoing, following completion of the activity, and upon the request of Grantor, Grantee and Partner(s) will provide Grantor with a copy of the books of account and other financial records and accompanying documentation concerning the expenditure of the grant funds in connection with the activity. Grantor retains the right to conduct an audit of the activity supported by this grant to (i) ensure that grant funds are utilized by Grantee and any Partner(s) in compliance with the terms of this Agreement and proposed budget; and (ii) ensure, where applicable, that proper firewall measures have been properly implemented. Such audit may include any actions undertaken by any third party, including any Partner(s), utilized by Grantee for the activity. Such audit right may be exercised through any agent or employee of Grantor or by an independent certified public accountant designated by Grantor. Grantor will bear all expenses incurred in any examination and will keep all information obtained during inspection confidential.

8. Disposition of Funds. In the event that Grantee or its designated third party does not undertake the proposed activity within the period of time specified in the Grant Request, or Grantee or Partner(s) does not undertake the activity as specified herein or the Grant Request, Grantee will return the grant funds to Grantor (or to the extent that the grant funds have not yet been transferred to Grantee, Grantor will withhold them from Grantee), and Grantee will not seek any additional funding from Grantor for such activity. Under all circumstances, any funds not used for the activity will be returned to Grantor within 90 days after the completion of the activity.

9. Default. In the event that Grantee, any Partner(s) or other designated third party materially breaches any of the terms and obligations contained in this Agreement, Grantor, at its sole discretion, may elect to (i) demand the immediate return of all grant funds to Grantor and/or (ii) refuse to approve any future grants to Grantee, such Partner(s) and/or such third party.

10. Disclosure. Grantor reserves the right to disclose, at its sole discretion and in whatever matter it deems appropriate, any and all information in Grantor's possession regarding the Grant Request and Grantor's support of the activity. Grantor shall have no obligation to notify or seek the consent or approval of Grantee or any Partner(s) in connection with any such disclosure.