

## **Title: Interactions with Health Care Professionals**

### **1. PURPOSE AND INTRODUCTION**

This Interactions with Healthcare Professionals Policy (the “Policy”), supplements other policies and procedures of Sun BioPharma, Inc. (the “the Company”) including the Company’s Code of Business Conduct and Ethics. If you have any questions about the information contained in this Policy or if you have any questions about a particular interaction, please contact the Compliance Officer.

For the purposes of this Policy, the term “Healthcare Professional” or “HCP” shall include any person in a position to prescribe, order, purchase or influence the prescribing, ordering or purchasing of products, or any person or entity who may provide healthcare services or is connected with the provision of healthcare services. However, Healthcare Professionals who are salaried, bona fide employees of the Company or who are members of the Board of Directors of the Company are not considered HCPs under this Policy. It is expected that all interactions with HCPs have the primary objective of enhancing medical knowledge and improving the quality use of medicines.

The United States, Australia and other countries have enacted legal and regulatory requirements related to interactions with HCPs, including the U.S. Federal Anti-Kickback Statute. This Policy applies to interactions with HCPs regardless of the country the HCP is from or where the interaction occurs. The threshold question is whether the HCP is in a position to prescribe, order or purchase, or influence the prescribing, ordering or purchasing of products or is otherwise involved in or connected with the provision of healthcare services. If you plan to enter into an agreement or have another interaction with an HCP from a country other than the United States or if the interaction with the HCP occurs in a country other than the United States, please contact the Compliance Officer prior to any interaction with the HCP for help with determining if there are additional local requirements.

Some states within the United States have enacted laws that establish additional restrictions on interactions between manufacturers of prescribed products and HCPs and/or require disclosure of transfers of value or other economic benefits from manufacturers of prescribed products to HCPs. For example, Vermont bans most gifts from manufacturers of prescribed products to HCPs, and Massachusetts requires disclosure of certain payments from manufacturers of prescribed products to HCPs. When the Company has a product ready for market, this Policy will be updated to include such state-level restrictions on interactions with HCPs.

This Policy applies to interactions between Company officers, directors, employees and contractors conducting business on behalf of the Company, and HCPs as defined above. It is important to be aware that HCPs have obligations to their employers and to other institutions with which they are affiliated and are bound by their policies and procedures. The Company will not knowingly interact with an HCP in a way that causes the HCP to be in violation of such obligations.

This Policy is intended to comply with industry standards such as the PhRMA Code on Interactions with Health Care Professionals and the Medicines Australia Code of Conduct, as well as with legal

## Title: Interactions with Health Care Professionals

and regulatory requirements related to interactions with HCPs. It is intended to supplement other components of the Company's compliance program.

### 2. POLICY STATEMENT

The Company requires compliance with the highest ethical standards and all laws applicable to it in the conduct of its business interactions with HCPs. The Company values integrity and transparency in its interactions with its potential customers, including HCPs, and has zero tolerance for corrupt activities of any kind. Activities prohibited by this Policy will not be tolerated.

### 3. AREAS OF FOCUS

#### 3.1. Bribes and Kickbacks

This Policy prohibits offering or giving anything of value (even nominal value) to improperly influence an HCP regarding the prescribing, registering, recommending, dispensing, promoting, purchasing, placing on formulary, reimbursing or facilitating access to Company products. If you are unsure whether an interaction is permitted, consult with the Compliance Officer before initiating a discussion or entering into a transaction. All interactions between Company employees and HCPs are, for purposes of this Policy, presumed to be work-related. At no time can employees use personal funds to pay for Company expenses, or ask third parties to make such payments, for the purpose of avoiding compliance with this Policy. Only the Company can make payments to, or on behalf of, an HCP or reimburse an HCP. The Company does not reimburse for personal expenses (such as entertainment or recreation) associated with an HCP's work for the Company, such as consulting or speaking. Provision of gifts, entertainment and recreation, meals, travel expenses, or anything else of value to an HCP's spouse or guest is prohibited.

Because the following activities can raise allegations of bribery and kickback, more specific instruction is provided below. **(NOTE: You must also follow restrictions imposed by the particular jurisdiction in which you are acting and/or restrictions of the HCP's institution, including laws related to tracking and reporting certain transfers of value to HCPs.** If you have questions about whether an activity is permitted, contact the Compliance Officer.)

- **Gifts.** Gifts may not be given to HCPs. This includes, without limitation, food and drink; gifts for recognition of life events (flowers, birthday presents, etc.); cash or cash equivalents such as gift cards; and services that have an independent value.

Where permitted by applicable law, it is permissible to offer items designed primarily for the education of patients or HCPs if the item is not of substantial value (\$100 or less) and does not have value to the HCP outside of his or her professional responsibilities. These items may not be offered on more than an occasional basis, even if each individual item is appropriate. The items should not be branded with

## Title: Interactions with Health Care Professionals

the Company name/logo or a product name/logo. Such educational items must be reviewed and approved by the Compliance Officer prior to being offered to HCPs.

- **Entertainment and Recreation.** Paying for an HCP's entertainment or recreational activity (e.g., golf, sporting events, theatre, etc.) is considered under this Policy to be equivalent to providing a gift and therefore is prohibited.
- **Meals.** Company officers, directors, employees and contractors conducting business on behalf of the Company may offer the occasional meal to an HCP as a business courtesy so long as the meal is secondary to discussion or presentations that provide scientific or educational value and the meal is (a) modest as judged by local standards and customary business practices, (b) not part of an entertainment or recreational event, (c) is provided in a manner conducive to informational exchange, (d) is not excessive in value and (e) complies with all applicable laws, including as applicable at the local, state and federal level. The meal should be held in a location appropriate for conducting business and should not include the HCP's spouse or other guests of the HCP. For avoidance of doubt, meal limits, including alcohol and other beverages, taxes and gratuities, are \$30 USD per person for breakfast; \$50 USD per person for lunch; and \$125 USD per person for dinner. If a meal is provided within Australia by the Company to an HCP, the maximum cost of a meal (including beverages) must not exceed \$120 AUD (including GST and gratuities) (as of November 2019, about \$81 USD), and in most cases should be well below this figure.
- **Services.** The Company may not provide an HCP with a service for free for which the HCP would otherwise have to pay. Examples include but are not limited to planning services, strategy services, operational assessments and the like.
- **Equipment.** Please contact the Compliance Officer prior to making any commitments to provide equipment or other similar items to an HCP.
- **HCP Travel.** Typically, paying for the travel or lodging expenses of an HCP is prohibited. Depending on local rules, the Company may be permitted to pay for the reasonable travel costs of HCP when that HCP is serving as a consultant or advisor to the Company. Any travel or lodging expenses paid for by the Company must be pursuant to a written agreement, necessary for a business purposes, arranged by the Company and consistent with applicable Company travel policies. Please contact the Compliance Officer prior to agreeing to pay for the travel or lodging expenses of any HCP (unless the travel expenses are being paid for under the terms of an HCP services agreement already approved by the Company's Compliance Officer). The travel expenses of the HCP's spouse or other guests are not to be paid by the Company.

## **Title: Interactions with Health Care Professionals**

- **Company Educational Events.** Company educational events must comply with applicable laws, regulations and industry codes. Company educational events must have objective educational value, be reviewed and approved through an internal Company process and be held a suitable venue (not a resort). The Company may not pay HCPs to attend Company educational events or pay for the expenses of HCPs' spouses and guests.

### **3.2. Grants**

The Company may elect to provide charitable, educational and research grants. No charitable, educational or research grant provided by the Company may be in exchange for or serve as an inducement to purchase or recommend the Company's products. All grant requests or questions received by employees about grants must be referred to the Company's Chief Medical Officer for evaluation based on pre-established, objective criteria. To maintain the separation of the medical and commercial functions, the Company's commercial staff shall not participate in the evaluation of grant requests but should forward such requests to the Chief Medical Officer if received.

Educational grants must be provided to institutions (typically non-profit institutions), not individual HCPs. Educational grants can include programs that educate the public on health care topics and support for independent educational, scientific or policymaking conferences. If the Company provides an educational grant to support an independent educational, scientific or policymaking conference, the selection of the faculty and development of the content of the program must be at the sole discretion of the conference organizer. The Company's involvement at an educational conference must have the objective of providing current, accurate and balanced medical education in an ethical and professional manner. In addition, the Company may not directly support the attendance of HCPs at the educational conference by paying admission fees or attendee HCP travel and lodging.

Prior to providing any educational or research grant, the Company and recipient must sign a grant agreement outlining the terms of the grant. The Company's Compliance Officer must approve the grant agreement before it is signed by the Company.

Entities interested in charitable, educational and research grants should direct their requests to the Company's Chief Medical Officer. The request must include a detailed description of the program for which support is sought and, if applicable, a detailed budget indicating how the requested funds will be used. Requests will be reviewed by the Company's Chief Medical Officer based upon pre-established, objective criteria.

### **3.3. Service Agreements with HCPs**

The Company may have a bona fide need to obtain assistance from HCPs, including assistance with product development, research, product training or marketing, for example. Any agreement

## Title: Interactions with Health Care Professionals

between the Company and an HCP must be entered into for a specific, legitimate business purpose.

- **Requirements.** Before engaging an HCP to provide services for the Company, the employee interested in hiring the HCP must determine and document:
  - the business need that requires engaging an HCP to perform services;
  - the particular qualifications, expertise and number of HCPs required to perform the services (specialty, years of experience, etc.); and
  - the fair market value (FMV) compensation to be paid the HCP. FMV compensation should be assessed based on the circumstances and requirements of the location in which the HCP will provide services.

The businessperson responsible for the arrangement with the HCP must maintain accurate files documenting the above items and retained with the signed agreement. The primary focus of any meeting at which speakers or consultants are present must be on activities related to the services provided. Meetings must be held in venues that are modest and appropriate to accomplish the business purpose.

- **Written Agreement.** The HCP and the Company must enter into a written agreement setting out the terms of the service prior to the HCP beginning the services. The Company's Compliance Officer must approve the agreement before it is signed by the Company. Retainer agreements or agreements where the HCP is paid prior to performing the work are not permitted.
- **Deliverables.** The businessperson responsible for the arrangement with the HCP must ensure that the services are, in fact, performed and the expected deliverables received. There should be evidence created to document performance of the services (e.g., delivery of a work report or other tangible work product from the HCP such as presentation slides, etc.) and the Company's appropriate use of consulting services (e.g., information regarding how the advice was used).

Neither selection of the HCP as a service provider nor the HCP's compensation may be based on the volume or value of the HCP's past, present or future use of Company products or otherwise constitute an unlawful inducement. Advisory board services in Australia are subject to the additional specifications in Section 9.9 of the Medicines Australia Code of Conduct.

### 3.4. Transparency

Once Company has a product on the market, payments and other transfers of value by the Company to HCPs will be subject to federal and state reporting requirements. At the federal level in the United States, the Open Payments provisions of the Affordable Care Act (also referred to as the

## **Title: Interactions with Health Care Professionals**

“Sunshine Act”) requires specified manufacturers to report certain payments and other transfers of value to HCPs. Several U.S. states have enacted their own disclosure obligations. Some countries and industry associations outside the United States also require tracking and reporting of payments and other transfers of value to HCPs. Once such reporting requirements become applicable, directors, officers, and employees must properly document all payments and transfers of value to HCPs so that the Company can accurately report them in compliance with disclosure laws.

### **3.5. Accurate and Truthful Product Promotion**

After product approval, when permitted by local law, promotional labeling and advertising may be used to promote Company products. (NOTE: Some countries prohibit promotion and advertising to consumers.) The Company’s external communications about its products will typically require approval prior to use to ensure that a consistent and accurate message is provided and that the communication is permitted under local law.

Prior to product approval, the Company shall not represent in a promotional context that any product in development is safe or effective or otherwise promote or commercialize the product. Once approved, Company products are to be promoted in a truthful and accurate manner and consistent with the labeling for the product, if any, cleared or approved by the applicable regulatory authority. Promotional labeling and advertising must not be false or misleading. Company representatives and communications must not omit material information or present information in a way that could mislead. Promotional labeling and advertising must contain fair balance.

If you have a question about whether a communication requires internal review and approval, please seek guidance from your supervisor. Once a communication is approved by the Company through the appropriate process, it cannot be altered without being re-reviewed.

HCP and patient names or photographs must not be used in promotional materials or in any other way without documented consent.

## **4. PENALTIES**

Any employee, officer or director or contractor who violates this Policy, or who orders another to violate this Policy, or who knowingly permits a subordinate to violate this Policy, may be subject to disciplinary action, up to and including termination of employment or cancellation of contract, as applicable, and, in appropriate cases, civil legal action or referral for criminal prosecution by the Company.

Violation of this Policy may also be a violation of law and expose the Company and individuals to fines, reimbursements, forfeitures and prison.

Revision: 00

Effective Date: March 19, 2020

## Title: Interactions with Health Care Professionals

### 5. RESPONSIBILITIES

Employees, officers and directors as well as contractors are responsible for familiarizing themselves with this Policy and abiding by it. The Company's Senior Management shall be responsible for enforcing compliance with this Policy. The Company's Compliance Officer is responsible for ensuring that the Company's employees are aware of this Policy, that they understand the need for compliance with it and that they have received appropriate training.

To ensure that the requirements of this Policy are met, supervisors are required to train employees (and contractors under their supervision) on this Policy and make them aware of their obligations to comply. Supervisors should also periodically conduct monitoring of employees' and contractors' compliance with this Policy.

### 6. SUSPECTED OR KNOWN VIOLATIONS

Compliance with this Policy is mandatory. No employee, officer, director or contractor has the authority to act contrary to the provisions of this Policy or to authorize, direct or condone Policy violations by any other employee, officer, director or contractor or other person.

It is the Company's expectation that every employee, officer, director and contractor will promptly bring violations and suspected violations of this Policy to the attention of the Company's Compliance Officer. Confidentiality will be provided to the limit of the law. Employees, officers, directors and contractors are prohibited from retaliating against or threatening anyone for reporting or supplying information about a policy or conduct concern.

### 7. COMPLIANCE CONTACTS

Any questions concerning this Policy should be addressed the Company's Compliance Officer.

### 8. DOCUMENT HISTORY

Revision Number	Change Summary	Effective Date
00	Initial Version	XXXXXXXX

### 9. APPROVALS

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Signature

Printed Name

Date

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**Revision: 00**

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Signature

Printed Name

Date