



## Why is this Conflict Avoidance discussion important?

MIT has a long and proud history of entrepreneurial success and is committed to moving the results of its research into societal use in a way that benefits the public by creating new products and promoting economic development. When licensing intellectual property owned by MIT researchers, MIT and its Investigators and researchers are responsible for mitigating potential conflicts of interest.

The purpose of this discussion with the COI Officer and TLO Officer is to educate to MIT Investigators and researchers about situations that generate conflicts of interest before they occur. The goal is to describe situations prohibited by MIT policies, to provide means for MIT and the researcher to identify and manage or eliminate conflicts of interest, and to preserve the interests of students, post-docs, staff and others whose work depends on faculty direction.

## Conflict Avoidance Discussion Checklist

- Financial Interest in Company:** I will take direct Equity Interests in this Company. I understand that, by taking direct Equity Interests, I now have a Significant Financial Interest per MIT COI policy.<sup>1</sup> As a result, I cannot accept sponsored research or gifts from this Company as long as it is a privately-held entity. I must disclose this Significant Financial Interest in my COI disclosure within 30 days if I have NIH (PHS) funding or within 90 days if I do not have NIH funding.
- Involvement of Staff, Postdocs, and Graduate Students:** At this time, no MIT staff, post-docs, or graduate students are involved in the Company nor perform Company activities. If this changes, I will notify the COI officer to review the details and, if appropriate, enter into a COI management plan.
- Maintaining “Separate and Distinct” standard:** I will separate and clearly distinguish between the intellectual directions of my MIT research from work that is conducted at the Company or from my contributions to the Company as a consultant, advisor, etc. This is critical to ensure the objectivity of my MIT research, eliminate adverse effects on the students and my research group, and avoid the appearance of “pipelining” if IP resulting from my research is optioned to Company.
- Role at Company:** I will not serve in a managerial role at the Company with “direct”, “active” or “significant” line management responsibilities (i.e. helping run the company, making business decisions). My role can include serving as a consultant or as an advisor/strategist and may include helping with fundraising activities during the initial stages of the Company’s life. If I see my role changing and wish to take on management responsibilities, I will inform the COI Officer and my Department, Lab, and/or Center Head to discuss the details and, if appropriate, enter into a COI Management Plan.
- Consulting at Company:** Before entering into any consulting agreement with the Company, I will consult with my Department, Lab, and/or Center Head about the details of that activity. If the consulting income from the Company is >\$5K/year, I must disclose this Significant Financial Interest in my COI disclosure within 30 days if I have NIH (PHS) funding or within 90 days if I do not have NIH funding. Information on MIT’s policy, guidance documents on consulting, and online forms for consulting can be found at the MIT COI portal (coi.mit.edu).

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<sup>1</sup> During FY18, MIT’s practice for sharing proceeds from its Equity Interests with equity holding Inventors changed for licenses executed after July 1, 2018. Please see the TLO Guide to Ownership Document found at: <http://web.mit.edu/tlo/documents/MIT-TLO-ownership-guide.pdf>



- Use of Company Resources:** At this time, my MIT research does not require use of Company goods, services, materials (i.e. MTA's), or confidential data (i.e. NDA's). If this changes, I will notify the COI Officer and my TLO Officer before entering into any agreements with the Company.
- Use of MIT Resources:** I will not use MIT resources for Company business or activities, including research and development (e.g., validation or further development of licensed materials, kits, reagents). If the Company requires use of an MIT core facility, I will follow all applicable policies and procedures.
- Research Affiliate/Visiting Scientist Appointments:** No personnel from the Company will receive MIT Research Affiliate or Visiting Scientist appointments unless approved by my Department, Lab, and/or Center Head. Any appointments required for technology transfer activities will be addressed in a separate Technology Transfer Agreement and appended to the Company's license agreement. I understand that Company personnel cannot be involved in my MIT research.
- Technology Transfer:** At this time, no technology transfer activities require the use of MIT facilities or resources (including involvement or use of my lab, staff, students, or post-docs) by Company. If this changes, I will notify the COI Officer and my TLO Officer prior to those activities to discuss the need for a Technology Transfer Agreement and/or a COI Management Plan.
- Negotiating on Behalf of Company:** I will not negotiate with MIT on behalf of the Company. Outside counsel or the Company management team will handle all business transactions as appropriate.
- Use of Name:** I am aware of MIT's Use of Name Policy (12.3) and my responsibility to prevent misuse of the Institute's name and my own name. I will inform Company that:
  - All requests to use MIT's name must be made directly to MIT's Technology Licensing Office.
  - All Company websites, communications, and materials must accurately depict the Company's relationship with MIT. MIT's logo must not appear on their website or communication materials.
  - All Company websites, communications, and materials must accurately depict my relationship with the Company. If I serve on the Scientific Advisory Board, all Company websites, communications, and materials, must not state or imply that my role is more than advisory.
  - Licensing MIT IP does not constitute a "collaboration" or "research alliance." A collaboration between the Company and MIT requires a contract between the Office of Sponsored Programs and the Company.
  - Adamant or repeated requests for use of MIT's name and logos are often red flags



Meeting Notes

**Acknowledgement of Understanding**

I have met with the Conflict of Interest Officer and the Technology Licensing Officer to discuss the details of my activities with the Company. No real or perceived conflicts requiring management were identified at this time. I understand that it is my responsibility to ensure that my relationship with the Company does not violate MIT's COI Policy or MIT's Policies on Outside Professional Activities. I will report all changes as agreed to in this statement. A copy of this signed statement will be sent to my Department, Lab, and/or Center Head and will be appended to the licensing agreement with Company.

*Investigator:*

\_\_\_\_\_  
*Printed Name*                      *Signature*                      *Date*

*Conflict of Interest Officer:*

\_\_\_\_\_  
*Printed Name*                      *Signature*                      *Date*

*Technology Licensing Officer:*

\_\_\_\_\_  
*Printed Name*                      *Signature*                      *Date*

**Department/Lab/Center Head approval**

**Department Head**

\_\_\_\_\_  
*Printed Name*                      *Signature*                      *Date*

**Lab or Center Head** (if applicable)

\_\_\_\_\_  
*Printed Name*                      *Signature*                      *Date*



## Definitions <https://coi.mit.edu/policy/definitions>

- **Aggregate** means the consolidated total of monies received from a single entity (i.e. through Remuneration, Sponsored Travel, Equity Interests, etc.).
- **Conflict of Interest Officer** means the MIT staff member responsible for supporting the Institutional Official in implementing this Policy.
- **Equity Interests** means stock, stock options, warrants, and other existing or contingent ownership interests in a commercial entity.
- **Family** means an Investigator's spouse or domestic partner and dependent children.
- **Financial Conflict of Interest** means a Significant Financial Interest and for PHS Investigators, Sponsored Travel, that MIT reasonably determines could directly and significantly affect the design, conduct, or reporting of research.
- **Institutional Responsibilities** means the Investigator's responsibilities associated with his or her MIT appointment or position, such as research; teaching; administration; conference attendance, research presentations or lectures at other universities or uncompensated publication review; and service on MIT committees.
- **Investigator** means the individual or individuals who are independently responsible for the design, conduct, or reporting of the research project. This is typically, the principal investigator and any co-principal investigator (i.e. the project leadership), though in some cases the principal investigator may determine that others are independently responsible for the project. Some sponsors have specific requirements for identifying Investigators. See the [Office of Sponsored Programs website](#) for more information.
- **Outside Professional Activities** means compensated and uncompensated activities undertaken outside of an Investigator's Institutional Responsibilities [*Note: Faculty members and senior research scientists/engineers/associates have consulting privileges of one day/week. Principal research scientists/engineers/associates are permitted 20 days/year. Others (full-time Professors of the Practice, Adjuncts, Senior Lecturers) may be granted consulting privileges with the approval of the department head and the Dean.*]
- **Related Entity** means any domestic or foreign, public or private, for profit, non-profit or governmental organization in which the Investigator, alone or in combination with his or her Family, holds a Significant Financial Interest.
- **Remuneration** includes salary and payments for services, such as consulting fees, honoraria or paid authorship, and cash or in kind gifts from entities for which you provide services and, for PHS Investigators, Sponsored Travel.
- **Significant Financial Interest** means a financial interest that meets any of the criteria for significance set forth below and is received or held:
  1. by an Investigator; or
  2. by an Investigator and members of his or her Family; or
  3. solely by members of the Investigator's Family, but only if the financial interest could reasonably appear to be related to the Investigator's Institutional Responsibilities,

A financial interest is deemed to be significant if:<sup>i</sup>



1. the aggregate value of Remuneration and Equity Interests in lieu of payment received from a **US or foreign publicly traded** entity during the 12 month period preceding the disclosure exceeds \$5,000; or
2. the aggregate value of Equity Interests in a **US or foreign publicly traded** entity exceeds \$5,000 and the entity is sponsoring any of the Investigator's research; or
3. the aggregate value of Equity Interests in a **US or foreign publicly traded** entity exceeds \$100,000 and the entity's business, or any portion thereof, reasonably appears to be related to any of the Investigator's Institutional Responsibilities; or
4. the aggregate value of Remuneration received from a **US or foreign non-publicly traded entity or non-profit institution** received during the 12 month period preceding the disclosure exceeds \$5,000; or
5. any Equity Interest is held in a **US or foreign non-publicly traded** entity; or
6. the aggregate value of Remuneration received from a **foreign governmental organization** during the 12 month period preceding the disclosure exceeds \$5,000; or
7. the aggregate value of income related to intellectual property rights and interests paid by an entity other than MIT exceeds \$5,000.

Significant Financial Interest does NOT include:

1. Remuneration from MIT; (including salary and royalty payments) and
  2. Remuneration paid to an Investigator's Family by any entity what would not reasonably appear to be related to the Investigator's Institutional Responsibilities; and
  3. Remuneration from authorship of academic or scholarly works, regardless of the source; and
  4. Remuneration from seminars, lectures, or teaching engagements sponsored by, or from advisory committees or review panels for, U.S. Federal, state, or local governmental agencies; U.S. institutes of higher education (e.g. Whitehead Institute and Broad Institute); U.S. research institutes affiliated with institutes of higher education, academic teaching hospitals, and medical centers; and
  5. Equity Interests in or income from investment vehicles, such as mutual funds and retirement accounts, so long as the Investigator does not directly control the investment decisions for these vehicles.
- **Technology Transfer** is the process by which existing technology, expertise, knowhow, or facilities developed by one individual, enterprise or organization is transferred to another individual, enterprise or organization.

### **MIT COI Policy Application of Guiding Principles (<https://coi.mit.edu/policy/application-guiding-principles>)**

Investigators may not:

1. accept research sponsorship or gifts, in support of the Investigator's Institutional Responsibilities from a for-profit privately-held Related Entity;
2. subcontract to a for-profit privately-held Related Entity;
3. negotiate with MIT on behalf of a Related Entity, or negotiate with the Related Entity on behalf of MIT;
4. involve a student for whom the Investigator is a thesis supervisor in the Investigator's Outside Professional Activities;
5. divert research opportunities to a Related Entity, which are more appropriately undertaken at MIT, such as research sponsorship or other projects;
6. promote the use of products or services of a Related Entity in the course of the Investigator's Institutional Responsibilities; or



7. engage in research involving human subjects that could reasonably be expected to affect the financial condition of a Related Entity.

An Investigator must obtain the prior written approval of the Investigator's Department, Lab, or Center Head (e.g. Designated Official), and in appropriate cases, enter into a management plan, before the Investigator:

1. accepts research sponsorship or gifts, in support of the Investigator's Institutional Responsibilities from a publicly-held or non-profit Related Entity;
2. accepts an in-kind gift from a publicly-held or non-profit Related Entity for use in his or her Institutional Responsibilities;
3. accepts research sponsorship from a Related Entity from which the Investigator receives Remuneration (for example, it may be permissible for an Investigator to receive research sponsorship from a Related Entity for whom the Investigator consults if the Designated Official determines that the consulting scope of work and the research scope of work are separate and distinct);
4. purchases goods or services from a Related Entity (for example, the Designated Official, in collaboration with Procurement, could determine that the goods and services are not commercially available from another provider);
5. provides goods, services, or access to facilities to a Related Entity (for example, MIT may determine to make certain unique facilities available for use by outside entities, in which case a Related Entity could be entitled to use the facilities on the same basis as other entities);
6. involves a student for whom the Investigator is not a thesis supervisor in his or her Outside Professional Activities, as an employee or consultant or in any other capacity (such involvement may be beneficial for the student, but the student's educational experience must not be diminished or diverted);
7. involves staff in the Investigator's Related Entity's activities;
8. requests an appointment for an individual from a Related Entity to participate in research at MIT.