



ASUM

Standards of Practice

Promoting ultrasound excellence

Guidelines, Policies and Statements

ASUM Conflict of Interest Policy

Approved May 2021

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1. Purpose

The purpose of this policy is to help board members of the Australasian Society for Ultrasound in Medicine (ASUM) to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of ASUM and manage risk.

2. Objective

The ASUM Board of Directors (called the 'board' in this policy) aims to ensure that board members are aware of their obligation to disclose any conflicts of interest that they may have, and to comply with this policy to ensure they effectively manage those conflicts of interest as representatives of ASUM.

In addition, where a Board member is presenting as a chair or representative of an ASUM Committee, recommending the Board of Directors to implement an action or outcome, the Board member is not permitted to vote on a recommendation they are submitting for approval.

3. Scope

This policy applies to the board and committee members of ASUM.

This policy applied to personal conflict, or conflict relating to a committee position put forward to the Board.

4. Definition of conflicts of interest

A conflict of interest occurs when a person's personal interest conflicts with their responsibility to act in the best interests of the Society.

Personal interests include direct interests, as well as those of family, friends, or other organisations a person may be involved with or have an interest in (for example, as a shareholder).

It also includes a conflict between a board member's duty to ASUM and another duty that the board member has (for example, to another organisation or ASUM committee). A conflict of interest may be actual, potential or perceived and may be financial or non-financial.

These situations present the risk that a person will make a decision based on, or affected by, these influences, rather than in the best interests of the Society.

Therefore, these situations must be managed accordingly.

5. Policy

This policy has been developed to address conflicts of interest affecting ASUM.

Conflict of interest are common, and they do not need to present a problem to the Society as long as they are openly and effectively managed.

It is the policy of ASUM, as well as a responsibility of the board, that ethical, legal, financial or other conflicts of interest be avoided and that any such conflicts (where they do arise) do not conflict with the obligations to ASUM.

ASUM will manage conflicts of interest by requiring board members to:

- avoid conflicts of interest where possible
- identify and disclose any conflicts of interest
- carefully manage any conflicts of interest, and
- follow this policy and respond to any breaches.

5.1. Responsibility of the board

The board is responsible for:

- establishing a system for identifying, disclosing and managing conflicts of interest across the Society
- monitoring compliance with this policy, and
- reviewing this policy on an annual basis to ensure that the policy is operating effectively.

The Society must ensure that its board members are aware of the governance standards, particularly in the ASUM Constitution (clause 35) relating to conflict of interest, and that they disclose any actual or perceived material conflicts of interests as required by governance standard.

5.2. Identification and disclosure of conflicts of interest

Once an actual, potential or perceived conflict of interest is identified, it must be entered into ASUM's register of interests, as well as being raised with the board.

Where every other board member shares a conflict, the board should meet governance standard for declaration to ensure that proper disclosure occurs.

The register of interests must be maintained by the Company Secretary or CEO. The register must record information related to a conflict of interest (including the nature and extent of the conflict of interest and any steps taken to address it).

5.3 Confidentiality of disclosures

As per clause 35 of the ASUM Constitution, conflict of interest:

35.1 Director's Interests

A Director is disqualified by holding any place of profit or position of employment in ASUM or in any company or incorporated association in which ASUM is a shareholder or otherwise interested or from contracting with ASUM either as vendor, purchaser or otherwise except with express resolution of approval of the Council.

35.2 Conflict of Interest

A Director shall declare his or her interest in any: (a) contractual matter; (b) disciplinary matter; or (c) other financial matter, in which a conflict of interest arises or may arise, and shall, unless otherwise determined by the Council, absent him or herself from discussions of such matter and shall not be entitled to vote in respect of such matter. If the Director votes, the vote shall not be counted. In the event of any uncertainty as to whether it is necessary for a Director to absent him or herself from discussions and refrain from voting, the issue should be immediately determined by vote of the Council, or if this is not possible, the matter shall be adjourned or deferred.

35.3 Disclosure of Interests

The nature of such interest of such Director must be declared by the Director at the Council Meeting at which the contract or other matter is first taken into consideration if the interest then exists or in any other case at the first Council Meeting after the acquisition of the interest. If a Director becomes interested in a contract or other matter after it is made or entered into, the

declaration of the interest must be made at the first Council Meeting held after the Director becomes so interested.

35.4 General Disclosure

A general notice that a Director is a member of any specified firm or company and is to be regarded as interested in all transactions with that firm or company is sufficient declaration under Rule 35.4 as regards such Director and the said transactions. After such general notice it is not necessary for such Director to give a special notice relating to any particular transaction with that firm or company.

35.5 Recording Disclosure

It is the duty of the Chief Executive Officer to record in the minutes any declaration made or any general notice given by a Director in accordance with Rules 35.3 and 35.4.

6. Action required to manage conflicts of interest

6.1. Conflicts of interest of board members

Once the conflict of interest has been appropriately disclosed, the board (excluding the board member who has made the disclosure, as well as any other conflicted board member) must decide whether or not those conflicted board members should:

- vote on the matter (this is a minimum),
- participate in any debate, or
- be present in the room/online during the debate and the voting.

In exceptional circumstances, such as where a conflict is very significant or likely to prevent a board member from regularly participating in discussions, it may be worth the board considering if it is appropriate for the person conflicted to resign from the board.

6.2. What should be considered when deciding what action to take

In deciding what approach to take, the board will consider:

- whether the conflict needs to be avoided or simply documented
- whether the conflict will realistically impair the disclosing person's capacity to impartially participate in decision-making
- alternative options to avoid the conflict
- the Society's objects and resources, and
- the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, the Society.

The approval of any action requires the agreement of at least a majority of the board (excluding any conflicted board member/s) who are present and voting at the meeting.

The action and result of the voting will be recorded in the minutes of the meeting and in the register of interests.

7. Compliance with this policy

If the board has a reason to believe that a person subject to the policy has failed to comply with it, it will investigate the circumstances.

If it is found that this person has failed to disclose a conflict of interest, the board may take action against them. This may include seeking resignation from the Board, or to terminate their relationship with the Society.

If a person suspects that a board member has failed to disclose a conflict of interest, they must;

1. Raise the potential conflict with the person
2. Raise the potential conflict with the President/Chair
3. Notify the Board if the person has been found to be conflicted, or the outcome cannot be determined with actions in line with clause 6
4. Notify the CEO as the responsible person for maintaining the register

7. Contacts

For questions about this policy, contact the board or Chief Executive Officer by email: ceo@asum.com.au or phone: 0294382078.

8. Last Updated

8.1 Approval and Review

Lead Author	CEO
Approver	Board
Date endorsed	8 May 2021
Date reviewed	8 May 2021
Timeframe for next review	24 months

8.2 Version History

This policy will be reviewed and evaluated periodically to ensure relevance and currency.

Version	Date Published	Details
1.0	April 2021	Created
1.1	May 2021	Approved by Board of Directors on 8 May 2021
1.2	February 2023	Updated template.