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FOR IMMEDIATE RELEASE

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MEDEC Approves Guidances on Ethical Relationships with Third-Party Distributors

WASHINGTON, D.C. – The Advanced Medical Technology Association (AdvaMed) and the Canadian medical technology association MEDEC announce that MEDEC recently approved a number of guidances and tools designed to promote ethical interactions between medical device and diagnostics companies and third-party distributors.

The three documents – <u>Joint Guidance for Medical Device and Diagnostics</u> Companies on Ethical Third Party Sales and Marketing Intermediary (SMI)

Relationships; <u>Distributor Training Tool</u>; and <u>Third-Party Sales and Marketing Intermediary Compliance Diligence Resource</u> – encourage companies to adopt compliance policies that integrate individual risk analyses and local laws to ensure ethical interactions between medical device companies and third-party entities hired for assistance in marketing, sales and/or distribution of their products or services.

"In many foreign markets, medical technology companies work with third parties to market, sell and distribute their products," explained Christopher White, AdvaMed senior executive vice president and general counsel. "These guidances will help companies establish clear, well-understood compliance programs so that their relationships with these third-parties will be focused on what is best for patients. MEDEC's approval of these guidances will help ensure the integrity of medical decision-making and promote further public confidence in our industry."

"This initiative demonstrates the importance and focus on collaboratively ensuring that there is a high level of due diligence, as well as respective training and resource offerings by our industry when companies are utilizing third-party representatives" said Brian Lewis, President and CEO of MEDEC. "MEDEC fully supports this initiative."

The guidances, which were developed joint by AdvaMed and the European medical technology association Eucomed, identify several elements an effective SMI compliance program, including:

Comprehensive anti-bribery policy;

- Established process for evaluating risk profiles of third-party SMIs;
- Risk-based pre-engagement and renewal due diligence program;
- Contract terms providing adequate controls and implementation of the policy;
- Training and education for third-party SMIs and the company employees that manage these relationships;
- Routine, risk-based assessment of third-party SMI relationships; and
- Appropriate corrective measures when needed.

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AdvaMed member companies produce the medical devices, diagnostic products and health information systems that are transforming health care through earlier disease detection, less invasive procedures and more effective treatments. AdvaMed members range from the largest to the smallest medical technology innovators and companies. For more information, visit www.advamed.org.

MEDEC is the national association representing the medical technology industry in Canada. Our members are committed to providing safe and innovative medical technologies that enhance the quality of patient care, improve patient access to health care, and help enable the sustainability of our publicly-funded health care system. For more information, visit www.medec.org.