

## **American Liver Foundation Corporate Relations Policy**

### **A. Purpose**

The purpose of this policy is to ensure that the corporate relationships entered into by the American Liver Foundation (ALF) are conducted in a manner consistent with its mission, principles, public positions, policies and standards. For purposes of this policy, the terms “corporate” or “corporation” shall also include any other kind of organizational entity, such as but not limited to partnerships, or foundations.

### **B. Basic Requirements**

Corporate relationships may be entered into by the ALF, but must follow at least the basic requirements set forth in this section.

#### **1. Independence**

While the ALF accepts financial support and other benefits from corporations, the ALF will always exercise independent judgment in all its decision-making.

#### **2. Consumer Communications**

Materials from the corporation or ALF directed to the public will contain accurate and non-deceptive terms or statements such that a reasonable individual will understand the nature of the corporate relationship.

#### **3. Disclosure – Consumer Purchase**

The ALF will disclose the financial benefits it receives from a corporate relationship when a purchase by a consumer causes a donation to be made to the ALF. The ALF will disclose the amount or percentage of money from the sale which will benefit the Foundation, the duration of the campaign, and any maximum or guaranteed minimum contribution amount.

#### **4. Disclosure – Financial Support**

The ALF will disclose corporate financial support received by including Schedule B in the IRS Form 990 that is posted on its website. The posting will take place within nine months after the close of its financial year.

#### **5. Endorsement**

The ALF will make it clear to a reasonable consumer if the ALF is endorsing a product and, in such case, whether it is endorsing a specific feature or attribute of the product or the product's efficacy. Special scrutiny, including regulatory guidelines, must be applied when prescription and over-the-counter drugs and devices are involved to avoid unintended endorsement, suggestion of product superiority, or bias for or against a specific product.

#### **6. Certification**

The ALF may issue a certification once a particular product or service of a company complies with or satisfies an applicable or relevant standard of the Foundation. Exclusive certifications will be avoided unless they: (i) are limited to a particular activity for a specified time period (ii) provide meaningful benefit to the organization and public and (iii) do not prohibit the organization from engaging in different types of activities with competing corporations and/or products.

#### **7. Exclusivity**

In general, there will not be exclusive arrangements in promotions or certifications, although exclusivity is acceptable for sponsorships or licensed products. Regarding corporate promotions or certifications, exclusivity may be granted to a corporation or product for a particular activity for a specified time period if there is sufficient benefit to the ALF and the public, and there is no prohibition against the ALF engaging in different types of activities with competing corporations/products.

#### **8. Advance Review and Approval**

Any use of the ALF name, logo and identifying marks in a corporate relationship must be reviewed and approved by the ALF's National Office in advance of their use, including in statements, advertising or other materials from the corporation. Usage of the ALF

name/logo and identifying marks shall be specified in addition to the period of usage. The ALF shall not allow its name/logo or identifying marks to be used in any promotion or advertisement that names and compares competing products unless the ALF has determined the superiority of the product with which it is associating and can substantiate its superiority.

9. Written Agreement

The ALF must have a written agreement between itself and the corporation prior to implementation of the corporate relationship. The agreement should clearly indicate: (i) the amount of money that will be transferred to ALF; (ii) whether the payment is unrestricted or restricted to support a particular event or program activity; (iii) a written description of the mission-driven activity supported that both parties will agree to use for purposes of disclosure to the general public; (iv) the manner in which each party will disclose the support to the general public, (e.g., in an easily accessible location on their websites); (v) that the ALF retains complete control of and right of approval over all content related to the event or program activity; and (vi) whether, and if so, how ALF's name, logo and/or any identifying marks will be used by a corporation. There may be circumstances when ownership of the material is not possible due to Federal regulations. In those instances, entering into a contractual relationship is acceptable as long as ALF retains control over content.

10. Compliance

The ALF will create and implement a mechanism to assure compliance with the corporate relations policy in all levels of the organization.

11. Privacy

If personal information about individuals participating in corporate sponsored activities and/or programs is collected, the ALF will adhere to its guidelines to protect the privacy of those individuals.

12. Adherence

The relationship must adhere to all applicable state and local laws and regulations.

13. Annual Evaluation

The Board of Directors will, on an annual basis, evaluate the total amount of corporate support received as a percentage of total revenue.

C. Review and Approval of Corporate Relationships

1. Initial Review

In order to qualify for approval, a potential corporate relationship must first satisfy the basic requirements as well as undergo vigorous scrutiny to confirm such a relationship would be consistent with the ALF's mission, principles, public positions, policies and standards. The guidelines included in the Board approved Policy on Conditional and Restricted Gifts must be followed. Additionally, sponsorship of Division special events, programs and general operations are required to comply with the Board approved Policy on Conditional and Restricted Gifts and with the ALF's mission, principles and public positions.

2. Approval

After completing the review process (which may include review by legal counsel), management must approve the corporate relationship based on its meaningful mission-related benefit that will be received by the general public or a particular constituency of the ALF.

3. Ongoing Review and Evaluation

The Board of Directors or Executive Committee shall review and evaluate on an annual basis all corporate relationships in terms of meaningful mission-related benefits.

## List of Potential Sponsor Relationships

**Program Sponsorships:** Support provided to conduct educational programs for patients, health care professionals and public awareness programs. In the case of professional education, the program may be conducted in accordance with the guidelines of the Accreditation Council for Continuing Medical Education (ACCME) or other credentialing organizations.

**Event Sponsorships:** Support provided primarily to underwrite fundraising events, such as Liver Life Walks, Liver Life Challenge and Flavors. Corporate support typically offsets a portion of the expenses of such events, allowing more of the funds raised to go directly to support the organization's mission.

**Health Message Promotions:** Activities that direct the consumer to the ALF for information on the specific disease or condition in exchange for use of the ALF's name, logo or message in a corporation's product advertising, promotional or educational materials.

**Strategic Alliance or Partnership:** A significant, long-term and mutually beneficial relationship between the ALF and a corporation. Typically, the ALF helps supply a health education message or service that is delivered through a company delivery system to better serve people with the particular health interest or condition. It is often a collaborative effort to improve the health information or service provided to the individual. It may not necessarily involve a monetary exchange.

**Consumer Product Purchase:** A donation to the ALF triggered by the purchase of a product by a consumer. Such initiatives are most commonly based on sales during a specific period and/or include a cap on the maximum amount that the corporation will donate.

**Endorsement:** A recommendation that a product, special feature of a product, attribute of a product and/or the efficacy of a product is superior to other products. Generally, endorsements should be avoided. In particular, special scrutiny, including regulatory guidelines, must be applied when prescription and over-the-counter drugs and devices are involved.

**Licensing:** A relationship where the ALF authorizes a company to develop, produce, market and/or distribute a mission-related product that is marketed under the organization's name, e.g., cookbooks, books, videos and other mission-related educational materials. In return, the ALF typically receives royalties.

**Certification:** A relationship where the ALF recognizes that a particular product or service of a company complies with or satisfies an applicable or relevant organization standard. Generally, exclusive certifications should be avoided.