



**CODE OF ETHICS WITH HEALTHCARE PROVIDERS  
OF ACCURAY INCORPORATED**  
(As of January 1, 2017)

**A. INTRODUCTION TO THE ADVAMED CODE**

Accuray Incorporated (“Accuray”) recognizes the obligation to facilitate ethical interactions between Accuray employees and those individuals who purchase, lease, recommend, use, arrange for the purchase or lease of, or prescribe Medical Technologies in the United States (“Health Care Professionals”). All Accuray representatives are expected to follow ethical business practices at all times and respect the obligation of health care professionals to make independent decisions regarding patient care. Consequently, Accuray has implemented this policy (the “Policy”) adopting the Advanced Medical Technology Association (“AdvaMed”) Code of Ethics on Interactions with Health Care Professionals (“Code of Ethics” or “Code”), effective July 1, 2011.

AdvaMed represents companies that develop, produce, manufacture, and market medical products, technologies and related services and therapies used to diagnose, treat, monitor, manage and alleviate health conditions and disabilities (“Medical Technologies”) in order to enable patients to live longer and healthier lives. Because Accuray has made the decision to adopt and comply with the AdvaMed Code, Accuray is considered a member company (referred to in this Code collectively as “Companies,” and individually as “Company”). For the avoidance of doubt, the AdvaMed Code applies to all of Accuray’s interactions with Health Care Professionals globally and all Accuray representatives worldwide are expected to comply with this Policy. In the event that local regulations regarding interactions with Health Care Professionals also apply in addition to the AdvaMed Code, Accuray representatives are expected to following the most stringent among them.

The scope of beneficial interactions between Health Care Professionals and Companies is broad and includes interactions intended to:

- *Promote the Advancement of Medical Technologies.* Developing and improving cutting edge Medical Technologies are collaborative processes between Companies and Health Care Professionals, Innovation and creativity are essential to the development and evolution of Medical Technologies, which often occur outside a Company’s laboratory.
- *Enhance the Safe and Effective Use of Medical Technologies.* The safe and effective use of sophisticated electronic, *in vitro* diagnostic, surgical, or other Medical Technologies often requires Companies to provide Health Care Professionals appropriate instruction, education, training, service and



technical support. Regulators often require this type of training as a condition of product approval.

- *Encourage Research and Education.* Companies' support of *bona fide* medical research, education, and enhancement of professional skills improves patient safety and increases access to Medical Technologies.
- *Foster Charitable Donations and Giving.* Companies make monetary and Medical Technology donations for charitable purposes, such as supporting indigent care, as well as patient and public education. This increases access to—as well as the quality of—care and treatment in patient populations that may not otherwise be reached.

## **B. CODE OF ETHICS COMPLIANCE**

Accuray's General Counsel and Chief Financial Officer (the "Corporate Compliance Officers") are responsible for the enforcement of this Code.

This Code is a part of and is enforced by Accuray's Corporate Compliance Program. As applied to this Code, Accuray's Corporate Compliance Program consists of the following elements: (1) implementing written policies and procedures; (2) designating a compliance officer and compliance committee; (3) conducting effective training and education; (4) developing effective lines of communication (including an anonymous reporting function); (5) conducting internal monitoring and auditing; (6) enforcing standards through well-publicized disciplinary guidelines; and (7) responding promptly to detected problems and undertaking corrective action.

## **C. COMPANY-CONDUCTED PRODUCT TRAINING AND EDUCATION**

Companies have a responsibility to make training and education on their products and Medical Technologies available to Health Care Professionals. Companies may also provide education to Health Care Professionals. "Training" means training on the safe and effective use of Medical Technologies. "Education" means communicating information directly concerning or associated with the use of Companies' Medical Technologies, e.g., information about disease states and the benefits of Medical Technologies to certain patient populations. Training and Education programs include, but are not limited to, "hands on" training sessions, cadaver workshops, lectures and presentations, and grand rounds. In fact, the U.S. Food and Drug Administration mandates training and education to facilitate the safe and effective use of certain Medical Technologies. Companies should adhere to the following principles when conducting training and education programs concerning Medical Technologies for Health Care Professionals:



- Programs and events should be conducted in settings that are conducive to the effective transmission of information. These may include clinical, educational, conference, or other settings, such as hotels or other commercially available meeting facilities. In some cases, it may be appropriate for a Company representative to provide training and education at the Health Care Professional's location.
- Programs providing "hands on" training on Medical Technologies should be held at training facilities, medical institutions, laboratories, or other appropriate facilities. The training staff used by the Company should have the proper qualifications and expertise to conduct such training. Training staff may include qualified field sales employees who have the technical expertise necessary to perform the training.
- Companies may provide Health Care Professional attendees with modest meals and refreshments in connection with these programs. Any such meals and refreshments should be modest in value and subordinate in time and focus to the training and/or educational purpose of the meeting.
- Where there are objective reasons to support the need for out-of-town travel to efficiently deliver Training and Education on Medical Technologies, Companies may pay for reasonable travel and modest lodging costs of the attending Health Care Professionals. It is not appropriate for Companies to pay for the meals, refreshments, travel, or other expenses for guests of Health Care Professionals or for any other person who does not have a *bona fide* professional interest in the information being shared at the meeting.

#### **D. SUPPORTING THIRD-PARTY EDUCATIONAL CONFERENCES**

*Bona fide* independent, educational, scientific, and policymaking conferences promote scientific knowledge, medical advancement and the delivery of effective health care. These typically include conferences sponsored by national, regional, or specialty medical associations and conferences sponsored by accredited continuing medical education providers. Companies may support these conferences in various ways:

**1. Conference Grants.** Companies may provide a grant to the conference sponsor to reduce conference costs. They may also provide grants to a training institution or the conference sponsor to allow attendance by medical students, residents, fellows, and others who are Health Care Professionals in training. Companies may provide grants when: (1) the gathering is primarily dedicated to promoting objective scientific and



educational activities and discourse; and (2) the training institution or the conference sponsor selects the attending Health Care Professionals who are in training. Such grants should be paid only to organizations with a genuine educational function and may be used to reimburse only the legitimate expenses for *bona fide* educational activities. Such grants also should be consistent with applicable standards established by the conference sponsor and anybody accrediting the educational activity. The conference sponsor should independently control and be responsible for the selection of program content, faculty, educational, methods, and materials.

**2. Conference Meals and Refreshments.** Companies may provide funding to the conference sponsor to support the provision of meals and refreshments to conference attendees. Also, Companies themselves may provide meals and refreshments for Health Care Professional attendees if such meals and refreshments are provided: (1) to all Health Care Professional attendees (with the limited exception noted below), and (2) in a manner that is consistent with applicable standards established by the conference sponsor and the body accrediting the educational activity. Any meals and refreshments should be modest in value, subordinate in time and focus to the purpose of the conference, and clearly separate from the continuing medical education portion of the conference.

**3. Faculty Expenses:** Companies may make grants to conference sponsors for reasonable honoraria, travel, lodging, and modest meals for Health Care Professionals who are *bona fide* conference faculty members.

**4. Advertisements and Demonstration.** Companies may purchase advertisements and lease booth space for Company displays at conferences.

## **E. SALES, PROMOTIONAL, AND OTHER BUSINESS MEETINGS**

Companies may conduct sales, promotional, and other business meetings with Health Care Professionals to discuss, for example, Medical Technology features, sales terms, or contracts. Often, these meetings occur close to the Health Care Professional's place of business. It is appropriate to pay for reasonable travel costs of attendees when necessary (*e.g.*, for plant tours or demonstrations of non-portable equipment) and/or to provide occasional modest meals and refreshments in connection with such meetings. However, it is not appropriate to pay for meals, refreshments, travel, or lodging of guests of Health Care Professionals or any other person who does not have a *bona fide* professional interest in the information being shared at the meeting.



## **F. CONSULTING ARRANGEMENTS WITH HEALTH CARE PROFESSIONALS**

Companies engage Health Care Professionals to provide a wide-range of valuable, *bona fide* consulting services through various types of arrangements, such as contracts for research, product development, development and/or transfer of intellectual property, marketing, participation on advisory boards, presentations at Company-sponsored training and other services. Companies may pay consultants fair market value compensation for performing these types of services, provided that they are intended to fulfill a legitimate business need and do not constitute an unlawful inducement. Companies should comply with the following standards in connection with consulting arrangements with Health Care Professionals:

- Consulting agreements should be written and describe all services to be provided. When a Company contracts with a consultant to conduct clinical research services, there should also be a written research protocol.
- Consulting arrangements should be entered into only where a legitimate need for the services is identified in advance and documented.
- Selection of a consultant should be made on the basis of the consultant's qualifications and expertise to meet the defined need.
- Compensation paid to a consultant should be consistent with fair market value in an arm's length transaction for the services provided and should not be based on the volume or value of the consultant's past, present or anticipated business.
- A Company may pay for documented, reasonable and actual expenses incurred by a consultant that are necessary to carry out the consulting arrangement, such as costs for travel, modest meals, and lodging.
- The venue and circumstances for Company meetings with consultants should be appropriate to the subject matter of the consultation. These meetings should be conducted in clinical, educational, conference, or other settings, including hotel or other commercially available meeting facilities, conducive to the effective exchange of information.
- Company-sponsored meals and refreshments provided in conjunction with a consultant meeting should be modest in value and should be subordinate in time and focus to the primary purpose of the meeting. Companies should not provide recreation or entertainment in conjunction with these meetings.



- A Company's sales personnel may provide input about the suitability of a proposed consultant, but sales personnel should not control or unduly influence the decision to engage a particular Health Care Professional as a consultant. Companies should consider implementing appropriate procedures to monitor compliance with this section.

**1. Provisions on Payment of Royalties.** Arrangements involving the payment of royalties to a Health Care Professional should meet the contractual standards set forth above. Health Care Professionals, acting individually or as part of a group in which they are an active participant, often make valuable contributions that improve products or Medical Technologies. They may develop intellectual property, for example, patents, trade secrets, or know-how, under a product or technology development or intellectual property licensing agreement. A Company should enter into a royalty arrangement with a Health Care Professional only where the Health Care Professional is expected to make or has made a novel, significant, or innovative contribution to, for example, the development of a product, technology, process, or method. A significant contribution by an individual or group, if it is the basis for compensation, should be appropriately documented.

The calculation of royalties payable to a Health Care Professional in exchange for Intellectual Property should be based on factors that preserve the objectivity of medical decision-making and avoid the potential for improper influence. For example, royalties paid in exchange for Intellectual Property should not be conditioned on: (1) a requirement that the Health Care Professional purchase, order or recommend any product or medical technology of the Company or any product or technology produced as a result of the development project; or (2) a requirement to market the product or medical technology upon commercialization. (Companies may, however, elect to enter into separate consulting agreements with Health Care Professionals for marketing services.) Companies are strongly encouraged to consider whether it is appropriate and practicable to exclude from the calculation of royalties the number of units purchased, used, or ordered by the Health Care Professional and/or members of the Health Care Professional's practice.

## **G. PROHIBITION ON ENTERTAINMENT AND RECREATION**

Company interactions with Health Care Professionals should be professional in nature and should facilitate the exchange of medical or scientific information that will benefit patient care. To ensure the appropriate focus on an educational and/or informational exchange and to avoid the appearance of impropriety, a Company should not provide or pay for any entertainment or recreational event or activity for any non-employee Health Care Professional. Such activities include, for example, theater, sporting events, golf, skiing, hunting, sporting equipment, and leisure or vacation trips. Such entertainment or recreational events, activities, or items should not be provided, regardless of: (1) their



value; (2) whether the Company engages the Health Care Professional as a speaker or consultant; or (3) whether the entertainment or recreation is secondary to an educational purpose.

#### **H. MODEST MEALS ASSOCIATED WITH HEALTH CARE PROFESSIONAL BUSINESS INTERACTIONS**

A Company's business interactions with Health Care Professionals may involve the presentation of scientific, educational, or business information and include, but are not limited to, the different types of interactions described in Sections C through G of this Code of Ethics. Such exchanges may be productive and efficient when conducted in conjunction with meals. Accordingly, modest meals may be provided as an occasional business courtesy consistent with the limitations in this section.

- 1. Purpose.** The meal should be incidental to the *bona fide* presentation of scientific, educational, or business information and provided in a manner conducive to the presentation of such information. The meal should not be part of an entertainment or recreational event.
- 2. Setting and Location.** Meals should be in a setting that is conducive to *bona fide* scientific, educational, or business discussions. Meals may occur at the Health Care Professional's place of business. However, in some cases the place of business may be a patient care setting that is not available for, or conducive to, such scientific, educational, or business discussions. In other cases, it may be impractical or inappropriate to provide meals at the Health Care Professional's place of business, for example, (1) where the Medical Technology cannot easily be transported to the Health Care Professional's location, (2) when it is necessary to discuss confidential product development or improvement information, or (3) where a private space cannot be obtained onsite.
- 3. Participants.** A Company may provide a meal only to Health Care Professionals who actually attend the meeting. A Company may not provide a meal for an entire office staff where everyone does not attend the meeting. A Company also may not provide a meal where its representative is not present (such as a "dine & dash" program). A Company may not pay for meals for guests of Health Care Professionals or for any other person who does not have a *bona fide* professional interest in the information being shared at the meeting.

#### **I. EDUCATIONAL ITEMS; PROHIBITION ON GIFTS**

A Company occasionally may provide items to Health Care Professionals that benefit patients or serve a genuine educational function for Health Care Professionals. Other than



medical textbooks or anatomical models used for educational purposes, any such item should have a fair market value of less than \$100. A Company may not provide items that are capable of use by the Health Care Professional (or his or her family members, office staff or friends) for non-educational or non-patient-related purposes, for example, a DVD player or MP3 player/I-Pod. A Company may not give Health Care Professionals any type of non-educational branded promotional items, even if the item is of minimal value and related to the Health Care Professional's work or for the benefit of patients. Examples of non-educational branded promotional items include pens, notepads, mugs, and other items that have a Company's name, logo, or the name or logo of one of its Medical Technologies. Companies also may not provide Health Care Professionals with gifts such as cookies, wine, flowers, chocolates, gift baskets, holiday gifts or cash or cash equivalents.

This section is not intended to address the legitimate practice of providing products for evaluation and demonstration purposes.

#### **J. PROVISION OF COVERAGE, REIMBURSEMENT AND HEALTH ECONOMICS INFORMATION**

As Medical Technologies have become increasingly complex, so have payor coverage and reimbursement policies. Patient access to necessary Medical Technology may be dependent on Health Care Professionals and/or patients having timely and complete coverage, reimbursement, and health economic information. Consequently, a Company may provide such information regarding its Medical Technologies if it is accurate and objective. A Company also may collaborate with Health Care Professionals, patients and organizations representing their interests, to achieve government and commercial payor coverage decisions, guidelines, policies, and adequate reimbursement levels that allow patients to access its Medical Technologies.

Permissible activities involving the provision of coverage, reimbursement and health economic information may include, but are not limited to:

- Identifying the clinical value of the Company's Medical Technologies and the services and procedures in which they are used when providing coverage, reimbursement and health economics information and materials to Health Care Professionals, professional organizations, patient organizations, and payors.
- Collaborating with Health Care Professionals, their professional organizations, and patient groups to conduct joint advocacy on coverage, reimbursement and health economics issues; supporting Health Care Professionals and their professional organizations in developing materials



and otherwise providing direct or indirect input into payor coverage and reimbursement policies.

- Promoting accurate Medicare and other payor claims by providing accurate and objective information and materials to Health Care Professionals regarding the Company's Medical Technologies, including identifying coverage, codes and billing options that may apply to those Medical Technologies or the services and procedures in which they are used.
- Providing accurate and objective information about the economically efficient use of the Company's Medical Technologies, including where and how they can be used within the continuum of care.
- Providing information related to the Company's Medical Technologies regarding available reimbursement revenues and associated costs.
- Providing information relating to changes in coverage or reimbursement amounts, methodologies and policies and the effects of such changes in order to facilitate a Health Care Professional's decision to buy or use the Company's Medical Technologies.
- Providing accurate and objective information designed to offer technical or other support intended to aid in the appropriate and efficient use or installation of the Company's Medical Technologies.
- Facilitating patient access to the Company's Medical Technologies by providing Health Care Professionals with assistance in obtaining patient coverage decisions from payors. This assistance may include providing information and/or training on payor policies and procedures for obtaining prior authorization, and providing sample letters and information on medical necessity and appeals of denied claims. In addition, at the request of a Health Care Professional to facilitate patient access to the Company's Medical Technology, and subject to appropriate privacy safeguards, the Company may assist the patient by facilitating the preparation and submission of requests for coverage determinations, prior authorizations, pre-certifications and appeals of denied claims, relating to a Company's own Medical Technology; however such assistance should not be provided as an unlawful inducement.

A Company may not interfere with a Health Care Professional's independent clinical decision making or provide coverage, reimbursement and health economics support as an unlawful inducement. For example, a Company should not provide free services that



eliminate an overhead or other expense that a Health Care Professional would otherwise of business prudence or necessity have incurred as part of its business operations if doing so would amount to an unlawful inducement. Further, a Company should not suggest mechanisms for billing for services that are not medically necessary, or for engaging in fraudulent practices to achieve inappropriate payment.

## **K. RESEARCH AND EDUCATIONAL GRANTS AND CHARITABLE DONATIONS**

A Company may provide research and educational grants and charitable donations. However, a Company may not provide such grants or donations as an unlawful inducement. Therefore, a Company should: (a) adopt objective criteria for providing such grants and donations that do not take into account the volume or value of purchases made by, or anticipated from, the recipient; (b) implement appropriate procedures to ensure that such grants and donations are not used as an unlawful inducement; and (c) ensure that all such grants and donations are appropriately documented. A Company's sales personnel may provide input about the suitability of a proposed grant or charitable donation recipient or program, but sales personnel should not control or unduly influence the decision of whether a particular Health Care Professional or institution will receive a grant or donation or the amount of such grant or donation. Companies should consider implementing procedures to monitor compliance with this section.

### **1. Research Grants**

Research provides valuable scientific and clinical information, improves clinical care, leads to promising new treatments, promotes improved delivery of health care, and otherwise benefits patients. In furtherance of these objectives, a Company may provide research grants to support independent medical research with scientific merit. Such activities should have well-defined objectives and milestones and may not be linked directly or indirectly to the purchase of Medical Technologies.

Company-initiated or directed research involving a Company's Medical Technologies (such as clinical study agreements) is addressed separately in Section F.

### **2. Educational Grants**

Educational grants may be provided for legitimate purposes, including, but not limited to, the examples below. A Company may make educational grants to conference sponsors or training institutions. A Company may not make educational grants to individual Health Care Professionals.

- *Advancement of Medical Education.* A Company may make grants to support the genuine medical education of medical students, residents, and fellows



participating in fellowship programs that are charitable or have an academic affiliation, or other medical personnel. (For additional considerations regarding educational grants, see Section D.)

- *Public Education.* A Company may make grants for the purpose of supporting education of patients or the public about important health care topics.

### **3. Charitable Donations**

A Company may make monetary or Medical Technology donations for charitable purposes, such as supporting indigent care, patient education, public education, or the sponsorship of events where the proceeds are intended for charitable purposes. Donations should be motivated by *bona fide* charitable purposes and should be made only to *bona fide* charitable organizations or, in rare instances, to individuals engaged in genuine charitable activities for the support of a *bona fide* charitable mission. Companies should exercise diligence to ensure the *bona fide* nature of the charitable organization or charitable mission.

#### **L. EVALUATION AND DEMONSTRATION PRODUCTS**

Providing products to Health Care Professionals at no charge for evaluation or demonstration purposes can benefit patients in many ways. These benefits include improving patient care facilitating the safe and effective use of products, improving patient awareness, and educating Health Care Professional regarding the use of products. Under certain circumstances described below, a Company may provide reasonable quantities of products to Health Care Professionals at no charge for evaluation and demonstration purposes.

This section is limited to providing evaluation and demonstration products only and is not intended to address any other arrangement

Company products that may be provided to Health Care Professionals for evaluation include single use (e.g., consumable or disposable products) and multiple use products (sometimes referred to as “capital equipment”). These products may be provided at no charge to allow Health Care Professionals to assess the appropriate use and functionality of the product and determine whether and when to use, order, purchase, or recommend the product in the future. Company products provided for evaluation are typically expected to be used in patient care.



- **Single Use/Consumables/Disposables.** The number of single use products provided at no charge should not exceed the amount reasonably necessary for the adequate evaluation of the products under the circumstances.
- **Multiple Use/Capital.** Multiple use products provided without transfer of title for evaluation purposes should be furnished only for a period of time that is reasonable under the circumstances to allow an adequate evaluation. The terms of an evaluation of such multiple use products should be set in advance in writing. Companies should retain title to such multiple use products during the evaluation period and should have a process in place for promptly removing such multiple use products from the Health Care Professional's location at the conclusion of the evaluation period unless the Health Care Professional purchases or leases the products.
- **Demonstration.** Company demonstration products are typically unsterilized single use products or mock-ups of such products that are used for Health Care Professional and patient awareness, education, and training. For example, a Health Care Professional may use a demonstration product to show a patient the type of device that will be implanted in the patient. Demonstration products typically are not intended to be used in patient care. Demonstration products also are typically identified as not intended for patient use by use of such designations as "Sample," "Not for Human Use," or other suitable designation on the product, the product packaging, and/or documentation that accompanies the product.