



POLICY TYPE: BOARD - REGULATORY

POLICY TITLE: VOLUNTEER CODE OF CONDUCT

For the purpose of this policy, a credit union volunteer is defined as elected or appointed members of the Board of Directors, Associate Directors, Directors Emeriti, Supervisory Committee members and alternates, and Nominating Committee members. Volunteers have an obligation to the credit union which extends beyond assuring that their actions do not violate any statute or regulation. Volunteers have a fiduciary responsibility to the credit union members to act in good faith in the performance of their duties.

I. Code of Conduct

A. All volunteers must:

1. Conduct the business of the credit union in full compliance with both the letter and the spirit of the law, the guidelines established by this policy, and all applicable laws and regulations and regulatory requirements.
2. Base all business decisions on the standards for personal and professional conduct set forth in this policy.
3. Commit to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as a volunteer.
4. Demonstrate loyalty to the membership, unconflicted by loyalties to staff, other organizations, or any personal interest as a consumer.
5. Not practice in self-dealing which occurs when a person or entity with fiduciary duty puts his or her own interests ahead of a member's or the credit union's interests in a transaction.
6. Communicate with the President/CEO or AVP/Marketing before speaking with reporters regarding the credit union's business matters and/or before giving information to the press, trade groups, magazine articles or any other non-credit union person or group regarding Visions programs, procedures, and practices.
7. Read, understand, and adhere to Visions Bylaws and all policies pertaining to their particular volunteer capacity.

II. Code of Ethics

A. All volunteers must:

1. Be honest and forthright in all credit union activities, including interactions with the credit union's regulators, vendors, and members.
2. Comply with the spirit as well as the letter of all laws and regulations governing the credit union's operations.
3. Maintain the credit union's reputation by avoiding activities which might reflect adversely on the credit union.

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4. Preserve the confidentiality of the credit union's business and member information and prevent unauthorized disclosure of propriety information.
5. Not disclose or reveal confidential member information obtained in the course of business to any person outside the credit union without the consent of the member or as otherwise permitted by law.

III. Conflicts of Interest

A. All volunteers must:

1. Not solicit, accept, or retain a personal benefit from any individual or organization which conducts or seeks to conduct business with the credit union, or with which the credit union seeks to do business, or which competes with the credit union.
2. Not receive directly or indirectly any commission, fee, or other compensation in connection with any loan made by the credit union.
3. Not receive pecuniary consideration in connection with the investment or deposit by the credit union. This also applies to immediate family members of volunteers.
4. Not use their position to obtain employment in the credit union for themselves, family members, or close associates. Should a volunteer apply for employment, he or she must first resign as a volunteer and wait two years prior to consideration.
5. Avoid conflicts between personal interests and the interests of the credit union, or even the appearance of a conflict of interest.
6. Sign a Volunteer Conflict of Interest Disclosure Statement annually with full disclosure of any involvement with other organizations, vendors, or any associations which might reasonably be seen as being a conflict.
7. Recuse themselves and not participate in any manner, directly or indirectly, in the deliberation upon or the determination of any question affecting his or her pecuniary or personal interest or the pecuniary interest of any corporation, partnership, or association (other than this credit union) in which they are directly or indirectly interested. Any recused volunteer must not participate in any discussion or vote on the matter from which they have been recused. Any actions voted on after the recusal of the volunteer may still be passed as long as a majority of the *initial* quorum approves the action.

IV. Receipt of Gifts or Rewards

Although the following apply to credit union officers, directors, employees, agents, and attorneys, volunteers are specifically addressed in this policy.

A. Prohibited Activities

1. The Bank Bribery Act prohibits volunteers from seeking or accepting anything of value with the corrupt intent to be influenced or rewarded in connection with any business or transaction of the credit union.

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The law also prohibits anyone from offering or giving anything of value to volunteers in connection with any business or transaction of the credit union, with the intent to corruptly influence or reward that person. Further, volunteers are not to:

- a. Corruptly give, offer, or promise anything of value to any person, with intent to influence or reward an officer, director, employee, agent, or attorney of a financial institution in connection with any business or transaction of such institution.
- b. Corruptly solicit or demand, for the benefit of any person, or corruptly accept or agree to accept anything of value from any person, intending to be influenced or rewarded in connection with any business or transaction of such institution.

2. The penalties for committing these prohibited activities are criminal and severe:

- a. If the value of the item or benefit offered or given to the volunteer is greater than \$1,000 in value, the offense is a felony punishable by up to 30 years imprisonment and/or a fine of up to \$1,000,000 or three times the value of the bribe or gratuity, whichever is greater.
- b. If the thing of value is \$1,000 or less, the offense is a misdemeanor punishable by imprisonment of up to one year and/or a similar fine.

B. Acceptable Gifts and Benefits

1. Volunteers may accept reasonable gifts and entertainment under certain circumstances:

- a. Payment of bona fide salary, wages, fees, or other compensation paid, or expenses paid or reimbursed, in the usual course of business.
- b. Gifts, gratuities, amenities, or favors based on obvious family or personal relationship existing independent of any business of the credit union.
- c. Meals, refreshments, or entertainment of reasonable value and in the course of a business meeting.
- d. Participation in credit union sponsored events (e.g., Yankee's games, concerts, Dick's Sporting Goods Open, etc.).
- e. Loans on customary terms to finance proper and usual activities.
- f. Advertising or promotional material of reasonable value (e.g., pens, pencils, notepads, key chains, etc.)
- g. Discounts or rebates on merchandise or services that do not exceed those available to others.
- h. Gifts of reasonable value that are related to recognized events or occasions (e.g., a promotion, wedding, holiday, etc.)

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- i. Civic, charitable, educational, or religious organizational awards of recognition.
- j. Gifts offered to all attendees of a conference or entering into a drawing where all entrants have the same chance of winning.
- k. Other gifts, on a case-by-case basis, if approved by the Board Chair in concurrence with the President/CEO.

C. Disclosure

Volunteers must disclose acceptance of any gift offers in excess of what is deemed acceptable or receipt of anything of value beyond what is authorized under this code of conduct policy.

- 1. Disclosure must be made to the Board Chair (or CEO if the conflict of interest involves the Board Chair). The Board Chair will review the disclosure with the CEO who may consult with the VP/Chief Risk Officer.
- 2. The disclosure should be reviewed to determine that what is accepted is reasonable and does not pose a threat to the integrity of the credit union.
- 3. The credit union will keep written documentation of such disclosures.
- 4. A volunteer's full disclosure demonstrates good faith when such disclosure is made in the context of properly exercised supervision and control. Keep in mind, however, that while such disclosure demonstrates good faith, the prohibitions of the bank bribery statute are not mitigated merely by the disclosure. The prohibitions of the bank bribery statute cannot be avoided by simply reporting the acceptance of various gifts.

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