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# Code of Conduct

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Raymore Credit Union

Approved by Raymore Credit Union Board of Directors

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## Introduction

This *Code of Conduct* provides guidance for directors and employees of the credit union and its subsidiaries with respect to acceptable business behaviour, how to conduct one's professional duties and outlines your responsibilities in this regard. The Code is related to the policies of Raymore Credit Union ("the credit union"), its board, federal and provincial laws and regulations. Referring to the Code along with the credit union's corporate and board policies should help you recognize the right thing to do when faced with an ethical situation.

If unsure, it is important that you ask before you act. Employees are encouraged to discuss any questions about Code of Conduct related matters with their manager or supervisor. Directors may obtain further information from the Governance or Conduct Review Committee.

This Code of Conduct is not a comprehensive manual that covers every situation that might be encountered. Each employee and director should apply this Code with common sense and the attitude of seeking full compliance with the letter and spirit of the guidelines presented.

## Compliance with the Code

Adherence to the Code is mandatory for all employees (permanent, term, contract) and directors. Your choices in applying this Code shape the ethical culture and conduct of the credit union. Each of us has a personal responsibility to maintain the trust of our stakeholders and protect the credit union's reputation in the industry.

Every new employee must:

- read the Code of Conduct; and
- sign a declaration confirming their understanding and commitment to compliance

On an annual, basis current employees are required to re-affirm their understanding and commitment to uphold this Code by signing a declaration.

Violations of the Code will not be tolerated. Employees are obligated to come forward and report possible violations by others. The credit unions will provide a safe environment for employees to do so, without fear of reprisal.

Failure to comply with this Code may result in disciplinary action including dismissal.

Board and committee members, as well as all elected or appointed officials are also obligated to comply with this code to the extent applicable as they are in positions of trust and should inspire confidence in the credit union and all its dealings.

## Credit Union Code of Conduct Information as Part of Market Code

The content of this Model Code of Conduct reflects industry standards based on a review of Codes from other financial institutions.

It provides examples of common situations that have been included to recognize appropriate conduct and help ensure compliance.

- Additional information has been included in the Code to reflect important policy items (e.g. market practices).
- Commonly encountered items such as illegal or anti-competitive sales practices, proprietary rights, solicitation, and conflict of interest have been included.
- “Reporting of dishonesty” has been added to reflect the governance emphasis on protecting whistleblowers.

## Questions to Consider

Some of the questions to consider when deciding how to act could include:

- Is it in accordance with the credit union’s values and standards?
- Is it legal?
- Will it reflect negatively on your image or the credit union’s if it became publicly known?
- Who else could be affected by this action?
- Is there an alternative action that would not create an ethical problem?
- How would it look if printed in the newspaper?

## Additional Information and References

Specific policies and procedures exist for harassment, violence, bullying, security, information technology, conflict of interest, and privacy. Additional information is available in the credit union’s Human Resources Policy Guide and Privacy Code or the Board of Directors Policy Manual.

Note: Copies of this Code are available in hard copy and electronic form.

## 1. Abiding by the Law

### Laws and Regulations

Legislation and regulations apply to many aspects of the credit union and its subsidiary business, including the kinds of services offered and the way in which they are offered. Employees and directors must comply with the letter and spirit of all applicable laws, regulations and standards.

- You are not to take any action that violates any applicable law, regulation or standard, or instruct anyone else to do so.
- You are required to comply with credit union policies, procedures and practices, and use credit union forms because these have been developed with legal requirements in mind.
- In order to protect members and customers, the requirements of the Market Code (acceptable sales practices, employee qualifications and licensing, disclosure, privacy and complaint resolution) are to be adhered to.
- Management must be aware of all legal requirements pertinent to the credit union's activities, ensure that these requirements are communicated to their staff and manage and supervise their staff with the objective of ensuring that the law and credit union policies and procedures are followed.
- To avoid legal difficulties, obtain a legal opinion when clarification is required.

### Proprietary Rights

Most printed material, software and trademarks are protected by proprietary rights.

- You are expected to honour the proprietary rights of others and obtain any prior approval requests required.
- You are required to follow the terms of the licensing agreement for any software program used in the course of business or on a company owned computer.
- Installation or use of any software not licensed for use by the credit union on any company owned computer requires permission from Finance, Administration, Risk & Compliance Manager.

## 2. Integrity

### Integrity of Records

The books and records of the credit union are to be maintained with the utmost integrity and are to accurately reflect all business dealings. Full co-operation with credit union regulators and internal and external auditors is mandatory.

- All employees play a part in ensuring accuracy and integrity. You are to ensure that all transactions, documents, agreements and dealings are recorded and maintained in an accurate and timely manner. You are not to bypass an internal control procedure even if you think this is harmless or will save time.
- You are to preserve the integrity of the record-keeping and reporting systems by being aware of and complying with all current applicable record retention policies and procedures. Destroy or alter records only after ensuring that they can be destroyed or changed.
- All transactions must be authorized and handled in accordance with credit union policies and procedures and must meet applicable standards for knowing your member or customer. You are not to undertake or participate in transactions that could be considered improper or suspect. Be alert to any illegal, suspicious or unusual activity in accounts.

### Communication

Employees and directors should evaluate all communications for which they are responsible and ensure information is true and does not mislead the public, either directly or indirectly.

- You are to tell the truth in all communications, making every reasonable effort to provide full, fair, accurate, timely, and understandable disclosure in reports, documents and communications, and to avoid errors, omissions or misunderstandings in communications issued on behalf of the credit union.
- Open, honest and timely communication is expected in dealing with employees, members, customers, associates, communities, government, suppliers, contractors and competitors.
- All facts relating to the credit union's services or transactions will be disclosed to ensure members and customers are informed of their costs and benefits.

### Individual Ethics

The cornerstone of financial services is trust. The credit union requires employees and directors with high ethical standards who demonstrate and practice responsible business behaviour.

## 3. Confidentiality

### Privacy

Respecting privacy is a requirement of all employees and directors. Employees and directors are expected to be familiar with the credit union's Privacy Code and to treat all personal information in accordance with the Privacy Code and confidentiality guidelines.

- You are to comply with the Privacy Code and respect the confidentiality of information at all times.
- Any requests for employee information, including those concerning former employees, are to be handled in accordance with the Privacy Code.
- You are required to protect the confidentiality and security of member and customer information when it is collected, used and retained and also when it is disposed of or destroyed.

### Information Shared With Third Parties

In the course of regular business activities, the credit union frequently enters into contracts with a variety of third parties, including vendors, suppliers and service providers, often resulting in the exchange of information.

- You are to share information only with third parties who have undertaken in writing to keep the information confidential in accordance with the Privacy Code. You may share only that information which is needed to satisfy the conditions of the contract and only with those who need to know.

### Proprietary Information

All information and work product (e.g. computer or electronic files, paper records, project deliverables), including any information or work produced in the course of employment with the credit union, is the property of the credit union and classified as proprietary and confidential.

- Do not disclose confidential information without the proper authorization. Any request for confidential information is to be referred to the department responsible.
- The credit union owns all proprietary rights to intellectual property and work that you develop, or contribute to developing, during the course of your employment or term.
- At the end of your employment or term, you are obliged to protect the confidentiality of the credit union's business indefinitely, unless a specific corporate authorization has been granted. Specific member or customer information, including names, lists, profiles and data, is not to be used in subsequent employment situations.

## 4. Fairness

### Discrimination

The credit union supports the highest standards of fairness and equitable opportunity in all matters of hiring, supervision, compensation, promotion and termination and in dealing with members and customers. Discrimination is not acceptable. All people will be treated with dignity, respect and fairness consistent with human rights legislation which prohibits discrimination on various grounds (e.g. age, race, color, religion or creed, gender, marital status, sexual orientation, disability or pregnancy/childbirth).

- Do not engage in discriminatory practices that are contrary to the principles established for the credit union. Ensure that you are respectful of differing beliefs and personal values.
- Do not discriminate against members or customers on the basis of race, religion, age, pregnancy, marital status, gender, sexual orientation, ethnic or social origin, disability, color, ethics, belief, culture, language or birth, except to the extent that a distinction is required or justified by any law or to the extent that the factor has commercial implications or if a special product or service offering is designed for all members of a particular target market group.
- In recognition of the importance of access to basic banking services, you are to take reasonable measures to ensure access to a basic bank account for interested persons. Access cannot be refused because a person is unemployed or has been bankrupt.

### Illegal or Anti-Competitive Sales Practices

Credit union services, products, sales programs, cross-selling programs and discretionary pricing policies are developed carefully to comply with lawful competition practices. Employees who work in a sales function should familiarize themselves with the Market Code and policy on coercive tied selling.

- You are to use fair and honest sales and negotiating methods. Avoid any sales practices that could be misconstrued as an attempt to impose undue pressure on or coerce a member or customer into obtaining a product or service as a condition of closing a sale. Note: this does not include authorized relationship pricing practices.
- Carefully follow credit union policies and practices pertaining to insurance products.
- Ensure that all comparisons to competitors and their products and services are accurate and not misleading. You may not engage in illegal or unethical activities to obtain proprietary information.
- Do not collude or co-operate with any other financial services provider in anti-competitive activities. Note: this does not include syndicated loan arrangements or certain government lending programs.

## Suppliers, Contractors and Competitors

The credit union is committed to dealing with its suppliers, contractors and competitors in a legal and ethical manner. The credit union does not engage in practices that attempt to influence a competitor's reputation or that lessen competition through unethical behaviour.

- You are not to take bribes, kickbacks or any other kind of payoff from suppliers or contractors in exchange for favourable treatment or consideration. Ensure suppliers are fully informed of requirements and use fair and honest sales and negotiation methods. Provide equitable opportunity for suppliers to demonstrate their quality, reliability, price and service.
- Select suppliers and contractors which satisfy our quality standards by considering price, specifications, technology, reliability, safety, service and delivery. Periodically review quality, reliability, price and service regardless of the length of the relationship.

## 5. Corporate Responsibility

### Political Contributions

The credit union may make political contributions to support and encourage the democratic process.

- You are not to make political contributions in the name of the credit union unless you are explicitly directed to do so by the company.
- Involvement in political activity must be undertaken responsibly. You are not to use your affiliation with the credit union in a marketing fashion or to gain improper advantage or purchase favours.
- Employees may participate in general political processes such as school board, municipal, provincial and federal elections.

### Whistleblower Protection

The credit union values employees who disclose wrongdoing by other employees or by anyone in any way associated with the credit union. The credit union will protect employees who report wrongdoing from reprisal.

The intent of whistleblower protection is to provide employees with a mechanism or channel to report incidents of actual or improper or unethical conduct without fear, reprisal or unwarranted negative consequences.

The credit union's whistleblower program provides procedural guidelines for employees to report concerns to their immediate supervisor or manager. For further information on the credit union's whistleblower Policy see 6000.22.

## Social Responsibility

Community involvement is a manifestation of our values as a co-operative organization. The credit union is responsible and accountable for the social and economic effects of its business actions and decisions.

- You need to conscientiously consider these factors when you make business decisions. If in doubt, seek the assistance or advice of senior executive.
- Individuals are encouraged to engage in charitable, educational and community service.

## Environmental Responsibility

The credit union is committed to managing its business to meet all required environmental standards, and will work to protect human welfare through sound economic growth and maintenance of a healthy environment.

- Your personal contribution will vary depending on your role, but you are expected to participate in the environmental programs that are put in place at the credit union.

## 6. Individual Responsibility

### Harassment and Bullying

Employees and directors have a right to work in an environment that is free from harassment<sup>1</sup> and bullying<sup>2</sup>. Harassment and bullying involve conduct that interferes with a climate of understanding and mutual respect for the dignity and worth of each person. Examples include, but are not limited to:

- verbal abuse or threats or relentless criticism, belittling, rumours or raging
- adversely affecting the employee's psychological or physical well-being that a person would reasonably know would cause an employee to be humiliated or intimidated
- unwelcome<sup>3</sup> remarks or jokes
- innuendo or taunting about something an individual could consider offensive (e.g. an individual's body, race, color, attire, age, gender, sexual orientation, ethnic origin or religion)
- leering or other gestures
- displaying pornographic, racist or other offensive or derogatory pictures or material

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<sup>1</sup> **“Harassment”** is an expression of perceived power or superiority by an individual(s) over another person(s), usually for reasons over which the harassed individual(s) has little or no control.

<sup>2</sup> **“Bullying”** is the repeated, malicious verbal mistreatment of a target by a harassing bully that is driven by the bully's desire to control the target. Bullying includes “psychological” harassment.

<sup>3</sup> **“Unwelcome”** means an action which the individual knows or should reasonably know is not desired by the person at which it is directed.

- practical jokes which cause awkwardness or embarrassment
- unwelcome invitations or requests, whether indirect or explicit
- threat of loss of one's job or other forms of reprisal if one does not comply with a request for sexual favours
- abuse of power of authority

Under provincial and Canadian human rights codes, harassment is a form of discrimination and is prohibited. The *Occupational Health and Safety Act, 1996* defines harassment as: "any inappropriate conduct, comment, display, action or gesture by a person." Harassment and bullying is not tolerated in the credit union. Complaints are thoroughly investigated and the credit union will take whatever measures it deems appropriate and necessary to deal with those parties found to have engaged in such conduct.

- Under no circumstances are you to engage in behaviour which is known, or should be reasonably known to be offensive or harassing or bullying.
- If you believe you are a victim of harassment, or believe you have observed someone else being harassed or bullied, and wish to file a complaint, you may do so through the Workplace Violence Committee. You may also file a complaint through legislative channels such as the Saskatchewan Human Rights Commission.

## Violence

Employees have a right to work in an environment that is protected from violence<sup>4</sup> or the threat of violence as much as reasonably possible.

Violent acts or threats of violence are unacceptable and complaints are dealt with promptly and impartially. All complaints are thoroughly investigated in a discreet manner and as confidentially as possible. The credit union will take whatever measures it deems appropriate and necessary to deal with those parties found to have engaged in such conduct.

- You are to take every reasonable measure to ensure that no employee and director are subjected to such acts.
- You are to comply with the credit union's security policies at all times.
- If you believe you have been threatened, or believe you have observed someone else being threatened, and wish to file a complaint, you may do so through the Workplace Violence Committee.

## Solicitation

Employees and directors should be able to enjoy a work environment where others do not improperly solicit them for non-business related purposes.

- You are not to improperly solicit for non-business related purposes on company premises.

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<sup>4</sup> "Violence" is defined as attempted, threatened or actual conduct of a person that causes or is likely to cause injury, and includes any threatening statement or behavior that gives a person reasonable cause to believe that he/she is at risk of injury.

- You are to avoid classified postings on subjects that are likely to be controversial (e.g. promotion or discussion of religion, politics or social issues on which there are widely divergent opinions).

## 7. Respecting Trust

### Misappropriation

The resources entrusted to your care belong to the credit union. Inappropriate use of these resources is an abuse of trust. This includes theft, fraud, embezzlement or unauthorized borrowing.

- You must not misappropriate funds or property that is not rightfully yours or instruct or knowingly assist another person in such misappropriation.
- If you have access to an expense account, you are to claim only those expenses that are eligible for reimbursement under the applicable expense policy guidelines. Intentional use of expense accounts for personal purposes represents misappropriation of funds.

### Electronic Mail/Internet Use

Internet access and e-mail are provided to employees and directors as a tool to support their business needs. All company computer equipment and the data stored on that equipment is the property of the credit union. The company routinely monitors Internet usage, electronic mail and computer files refer to the credit union's Network Acceptable Use & Security Policy 7000.38.

- You are required to protect passwords or other security codes, and are responsible and accountable for all activities related to their use. Any observed or suspected security incidents are to be reported to the General Manager.
- You must not access, knowingly transmit, view, generate, print, retrieve, download, send or store any communication of a discriminatory, defamatory, obscene, threatening or harassing nature, or any material that is inappropriate for the business environment (such as sexually oriented literature or pictures).
- You may not use these systems for personal business purposes or to improperly solicit for non-company related purposes.

### Social Media

The credit union has strong values that extend into the social media community. The credit union wants employees to be aware of how their use of social media may impact members, the credit union and themselves. Employees are expected to exercise good judgement, common sense, compliance with laws, and demonstrate respect for each other, members, the credit union and other stakeholders.

You must not knowingly transmit, view, generate, print, retrieve, download or store any communication or any material that is inappropriate for the business environment during work hours or using company resources.

To inform employees of their obligations when using social media, the credit union has developed a Social Media Policy (2000.05).

## Reporting Dishonesty

Employees share responsibility for respecting trust and for creating and sustaining a culture of honesty and integrity. Reporting suspected dishonesty will not result in any adverse repercussions.

If you become aware of any dishonest or suspect activities or transactions, you are to report the situation to your manager or senior executive. If the situation involves senior executive, reports are to be directed to the Audit and Risk Committee of the board.

## 8. Impartiality

### Gifts, Payments and Entertainment

Employees are to ensure that business gifts and entertainment are provided in the spirit of business courtesy and relationship management and in no way create the perception of improper influence. You must not attempt to improperly influence relationships with organizations and individuals with whom the credit union deals.

As a guide, a nominal value is acceptable to give or to accept.

To determine nominal value you should consider whether the gift could reasonably be construed as an attempt to influence your behaviour or that of the credit union. It is also important to consider the circumstances, nature and timing of the gift.

The value of business entertainment (e.g. dining, sporting event tickets or a round of golf) may be considered nominal and is to be of a style or value commonly accepted for business occasions. If in doubt as to what is considered acceptable, seek guidance from senior executive.

The same considerations apply to gifts, payments or entertainment involving immediate family members and relatives of employees and directors.

- You are not to give or receive gifts that could be interpreted as seeking, receiving or dispensing a bribe, kickback or unethical payment.
- You may supply or accept modest gifts, favours, entertainment or services provided they:
  - Legitimately serve a business purpose;
  - Are given or received infrequently;
  - Do not consist of cash or cash equivalent items;

- Are unlikely to be interpreted as a bribe or other improper payment; and
  - Are within the limits of generally accepted ethical and legal standards for business expenses.
- Where it would be extraordinarily impolite or otherwise inappropriate to refuse a gift of obvious value, you may accept it on behalf of the credit union and report the gift to your supervisor to determine how to deal with it. Such gifts may not be taken for personal use or enjoyment unless appropriate corporate authorization is granted.

## Conflicts of Interest

It is as important to avoid the appearance of a conflict of interest as it is to avoid an actual one. Being seen or perceived to be in a conflict of interest can damage your reputation or the credit union's. Employees are encouraged to familiarize themselves with the types of situations that could be perceived as a conflict of interest:

**You and a member or customer** – where your personal interests could conflict with your obligations to the member or customer.

**The credit union and its member or customer** – where the credit union's interests could conflict with the credit union's obligations to a member or customer; or where the credit union's obligations to one member or customer conflict with its obligations to another.

**You and the credit union** – where your personal interests could conflict with your obligations to the credit union as an employee.

If in doubt, employees are expected to discuss the situation with their manager. Directors are to discuss the situation with the Conduct Review Committee.

- Service requests or transactions for any member or customer with whom you are personally associated, including friends and relatives, are handled at arm's length on a strictly business to member or customer basis. It is prudent to avoid making decisions or conducting transactions when you are closely associated. Refer these situations to management or another appropriate employee to avoid a conflict of interest situation.
- Ensure that all personal transactions are handled by another employee according to credit union procedures and that they receive the same treatment and scrutiny as any normal member or customer transaction.
- You may accept other employment while employed with the credit union providing it:
  - Is legal;
  - Is not with a competitor;
  - Will not result in a conflict of interest;
  - Will not interfere with your work performance at the credit union;
  - Does not involve the use of company resources or equipment; and
  - Any potential conflict of interest positions are reviewed and approved by management.

- You may work in the same department or division with someone who is a spouse or common law partner or relative providing it will not result in a conflict of interest and there is no reporting relationship.

## Directorships

Employees who are invited to sit on the boards of other organizations or to accept other appointments may do so, providing they observe the conflict of interest guidelines.

- You are advised to assess the potential for a conflict of interest before accepting and:
  - Declare any such conflict to the institution and the credit union.
  - Carefully judge whether your obligations to the credit union warrants your voluntary withdrawal from any deliberations.

## Final Thoughts

The credit union was created to deliver on its mission, objectives, values, guiding principles, and commitments to its members, board of directors and employees. As directors and employees, we have a fiduciary responsibility to carry out the credit unions mission in the manner provided through the guidance of this Code of Conduct.

*Character is doing the right thing when no one is watching. – J.C. Watts*