




Ethical Conduct and Conflict of Interest Program

Subject: Ethical Conduct and Conflict of Interest Program	Date Effective: 2/28/2011	Relates to Corporate Policy No.: C-21
	Revised: 3/29/2017	Program Owner: Senior Vice President, General Counsel
Approved (SVP or Program Owner): 		

Governance Documents: Corporate Policy C-21, Employee Conduct

Purpose: To define and describe employees’ responsibilities related to the ethical and legal conduct of business and to avoid improper conflicts of interest.

Applicability: All employees

Program Owner: Senior Vice President, General Counsel

Definitions:

- Improper Conflict of Interest - An Improper Conflict of Interest is any activity engaged in by an employee or a financial interest by an employee that is inconsistent with Tri-State’s best interest. Examples of Improper Conflicts of Interest are described below in this Program.

Risks and Tolerances: In order to ensure compliant conduct of Tri-State’s business, the elimination and/or minimization of Improper Conflicts of Interest by Tri-State’s employees is considered essential.

Consequences: Violation of this Program may be grounds for disciplinary action, up to and including termination of employment.

Program:

This Program provides broad guidelines for moral and ethical behavior, the elimination and/or minimization of Improper Conflicts of Interest, and for interpreting and complying with other Tri-State policies, programs, and procedures. Examples for specific actions or activities under this Program are set forth below. It is impossible to cover every situation an employee may face, so if there is any doubt about whether a particular action may be in violation of this Program, it should be discussed with one’s supervisor before acting. If one’s supervisor cannot provide the necessary guidance, the matter should be discussed with your manager or Senior Manager or with Legal or Employee Relations, as appropriate.

Expectations of all employees:

1. Employees should act with integrity and deal respectfully, honestly, and fairly.

2. Employees should know, understand, and comply with all laws and regulations affecting their job duties and with all policies of Tri-State. [C-54 Compliance Policy](#)
3. Employees should use their best efforts to become qualified and effective members of the work force.
4. Employees should avoid activities that might create the reality or appearance of an Improper Conflict of Interest.
5. Employees should report any known or suspected violation of this Program using any of the designated channels outlined in the [Reporting Improper Business Practices \(Whistleblower\) Program](#).

Examples: Ethical Conduct

- a. All company business data, records, and reports shall be prepared truthfully, accurately, timely, and completely.
- b. Employees involved in the negotiation of agreements and contracts on behalf of Tri-State must do so in good faith.
- c. Employees should act in compliance with all contracts that Tri-State is a party to, and should expect compliance from other parties to the contracts to ensure that our commitments and promises are honored.
- d. Employees should not engage in or support any activities that improperly restrain or eliminate competition.
- e. When asked, Tri-State employees should provide honest, complete, timely, and accurate information to governmental investigative agencies and auditors.
- f. Employees and ex-employees should maintain the confidentiality of all privileged and personal information they may have access to by virtue of their position with the company. This includes, but is not limited to, unpublicized business plans, medical information, information related to employee pay and performance, customer issues, new business efforts, unpublished financial reports, legal records, bid pricing and other contractor information, or driving records. [Board Policy No. 207](#) and [Board Policy No. 406](#) provide information concerning the release of Tri-State records and information to non-employees.
- g. The work product of employees of Tri-State is the property of Tri-State, and may not be transferred in any way to any person or business, except as necessary to perform one's job duties for Tri-State.
- h. Terminating employees may not use, transfer, or sell their Tri-State work product, confidential Tri-State information, Tri-State software, or Tri-State records for personal purposes including, but not limited to, obtaining employment or monetary gain, undermining the best interests of Tri-State, establishing leverage over Tri-State or any of its employees, or for any other personal gain.
- i. Employees may be asked to sign a non-disclosure agreement concerning information and work products obtained in the pursuit of their job duties.
- j. Employees should responsibly use and control all company assets and resources employed or entrusted to them.
- k. Aside from personal protective equipment, employees should not remove Tri-State tools and equipment to perform any work for the sole and personal benefit of themselves, a director, or others.

Examples (Improper Conflict of Interest)

- a. Employees should refrain from using their position, authority, or access to

- confidential information to secure personal privileges, gains, or benefits.
- b. Employees should not engage in any outside employment that could affect the employee's ability to provide reliable and competent service to Tri-State.
 - c. Employees seeking or holding public office should not allow the duties or responsibilities of that office to interfere with their responsibilities to Tri-State, its subsidiaries, or its members.
 - d. Employees, their cohabitants, and their immediate family members should not knowingly engage in any direct investment or personal business relationship with a competitor, supplier, contractor, or consultant to Tri-State, its affiliates, or its member systems without full prior disclosure to the manager of the employee's functional work area. Tri-State reserves the right to act on that disclosure in order to protect its best interests, including the right to allow or disallow the activity or terminate the employee.
 - e. Employees should not give, offer, or promise anything of value to a customer, potential customer, financial institution, or law enforcement agency that could be considered an inducement to act in Tri-State's or the employee's interest.
 - f. Employees should refer any media inquiry which specifically requests Tri-State's view or position on a given topic to the Senior Manager Enterprise Communications/Public Affairs or Communications and Marketing Manager.

Links:

[!\[\]\(c507f772dba2b921f86777f01218e570_img.jpg\) Reporting Improper Business Practices \(Whistleblower\) Program](#)

[!\[\]\(4729e517bc6a7cd81c8025b9646574fb_img.jpg\) Gifts Program](#)

[!\[\]\(cbe80b694ebd74fcfe136a095b608235_img.jpg\) Compliance Policy \(C-54\)](#)