

## KAHRMANN ADVOCACY COALITION, INC.

### Code of Conduct and Ethics

#### I. YOUR OBLIGATIONS

This Code of Conduct and Ethics (this “Code”) is designed to promote **honest, ethical and lawful conduct** by all employees, volunteers, officers and directors of Kahrmann Advocacy Coalition, Inc. and all of its affiliates (collectively, the “Organization”). This Code is intended to help you understand the Organization’s standards of ethical business practices and to stimulate awareness of ethical and legal issues that you may encounter in carrying out your responsibilities to the Organization. In addition, independent contractors, consultants and agents who represent the Organization are expected to apply the same high standards while working on Organization business.

The actions of every employee, volunteer, officer and director affect the **reputation and integrity** of the Organization. Therefore, it is essential that you take the time to review this Code and develop a working knowledge of its provisions. You are required to complete a certificate attesting to compliance with the Code upon becoming an employee, volunteer, officer or director and, thereafter, on an annual basis.

At all times, you are expected to:

- **Avoid conflicts** between personal and professional interests where possible;
- **Comply with the Organization’s Conflict of Interest Policy** including by disclosing any conflict to the Board and otherwise pursue the ethical handling of conflicts (whether actual or apparent) when conflicts or the appearance of conflicts are unavoidable;
- **Provide accurate and complete information** in the course of fulfilling your obligations and communicate information in a timely manner;
- **Provide full, fair, accurate, timely, and understandable disclosure** in reports required to be filed by the Organization with regulators and in other public communications made by the Organization;
- **Comply with all applicable laws**, regulations and Organization policies;
- **Seek guidance** where necessary from a responsible supervisor;
- **Promptly report any violations** of this Code to a responsible supervisor; and
- **Be accountable personally** for adherence to this Code.

## **WHO DO I CONTACT FOR GUIDANCE OR TO REPORT CONCERNS?**

If you believe a situation may involve or lead to a violation of this Code, you have an affirmative duty to seek guidance and report such concerns.

- **Seek guidance** from a responsible supervisor or other appropriate internal authority.
- **Disclose concerns or violations** of this Code to a supervisor, manager, to the Organization's legal counsel, or the President of the Board.

It is the Organization's policy to encourage the communication of bona fide concerns relating to **the lawful and ethical conduct of business, and audit and accounting procedures or related matters. It is also the policy of the Organization to protect those who communicate bona fide concerns from any retaliation for such reporting.**

**Confidential and anonymous mechanisms for reporting concerns are available and are described in this Code. However, anonymous reporting does not serve to satisfy a duty to disclose your own potential involvement in a conflict of interest or in unethical or illegal conduct.**

No Organization policy can provide definitive answers to all questions. It is difficult to anticipate every decision or action that you may face or consider. **Whenever there is doubt about the right ethical or legal choice to make, or questions regarding any of the standards discussed or policies referenced in this Code, you should fully disclose the circumstances, seek guidance about the right thing to do, and keep asking until guidance is obtained.**

**Those who violate the standards in this Code will be subject to disciplinary action. Failure to follow this Code, as well as to comply with federal, state, local and any applicable foreign laws, and the Organization's policies and procedures may result in termination of employment or termination of board service.**

## **II. COMPLIANCE WITH LAWS, RULES AND REGULATIONS**

The Organization requires you to comply with all applicable laws, rules and regulations. Violation of laws and regulations may subject you, as well as the Organization, to civil and/or criminal penalties. To assure compliance with applicable laws and regulations, the Organization has established various policies and procedures, including those relating to conflicts of interest and related party transactions. You have an obligation to comply with these policies and procedures and to promptly alert a responsible supervisor, the Organization's legal counsel, or the President of the Board of any deviation from them.

Legal compliance is not always intuitive. To comply with the law, you must learn enough about the national, state and local laws that affect your work at the Organization to spot potential issues and to obtain proper guidance on the right way to proceed. When there is any doubt as to the lawfulness of any proposed activity, you should seek advice from the Organization's legal counsel.

Certain legal obligations and policies that are particularly important are summarized below. Further information on any of these matters may be obtained from the Organization's legal counsel.

### **III. CONFLICTS OF INTEREST AND RELATED PARTY TRANSACTIONS**

The Organization expects you to exercise good judgment and the highest ethical standards in your activities on behalf of the Organization as well as in your private activities outside the Organization. Particular care should be taken to ensure that no detriment to the interests of the Organization (or appearance of such detriment) may result from a conflict between those interests and any personal or business interests which you may have. In particular, you have an obligation to avoid, and where avoidance is not feasible to disclose to your supervisor or as otherwise set forth in this Code, any activity, agreement, business investment or interest or other situation that might in fact or in appearance cause you to place your own interests, or those of another, above your obligation to the Organization. Care should be taken about the appearance of a conflict since such appearance might impair confidence in, or the reputation of, the Organization even if there is no actual conflict and no wrongdoing.

While it is not possible to describe or anticipate all the circumstances that might involve a conflict of interest, a conflict of interest may arise whenever you take action or have (directly or indirectly) interests that may make it difficult to perform your work objectively or effectively or when you (directly or indirectly) receive personal benefits as a result of your position or relationship with respect to the Organization. For example, a conflict may arise if you have a financial or personal interest in a contract or transaction to which the Organization is a party. In addition, receipt by you or a member of your immediate family of a personal benefit as a result of your position with the Organization may be deemed a conflict of interest. Procedures relating to disclosure and review of conflicts of interest and related party transactions are set forth in the Organization's Conflict of Interest and Related Party Transaction Policy.

In all instances where the appearance of a conflict exists, you must disclose the nature of the conflict and all material facts related to such conflict to the President of the Board, who shall communicate that information to the full Board. We will work with you to determine what to do next.

### **IV. COMMUNITY, POLITICAL, CHARITABLE AND OTHER OUTSIDE ACTIVITIES**

The Organization generally encourages participation in community activities outside the Organization. However, employees should avoid any outside personal interest or activity (whether or not for profit) that will interfere with their duties to the Organization. As a guideline, such activities should not encroach on time or attention employees should be devoting to Organization business, adversely affect the quality of their work, compete with the Organization's business, imply Organizational sponsorship or support without express approval by the Organization, and/or adversely affect the reputation of the Organization.

No employee shall publicly utilize any affiliation of the Organization in connection with the promotion of partisan politics, religious matters, or positions on any issue not in conformity with the official position of the Organization.

## **V. PROTECTION AND PROPER USE OF THE ORGANIZATION'S ASSETS**

You have a personal responsibility to protect the assets of the Organization from misuse or misappropriation. The assets of the Organization include tangible assets, such as products, equipment and facilities, as well as intangible assets, such as intellectual property, trade secrets, reputation and business information (including any non-public information learned as an employee, volunteer, officer or director of the Organization).

### **5.1 Theft/Misuse of Assets**

The Organization's assets may only be used for business purposes and such other purposes as are approved by the Organization. You must not take, make use of, or knowingly misappropriate the assets of the Organization for personal use, for use by another, or for an improper or illegal purpose. You are not permitted to remove, dispose of, or destroy anything of value belonging to the Organization without the Organization's express prior written consent, including both physical items and electronic information.

### **5.2 Confidential or Proprietary Information/Privacy**

You must not use or disclose any confidential or proprietary information to any person or entity outside the Organization, either during or after service with the Organization, except with written authorization of the Organization or as may be otherwise required by law or regulation. You may not use confidential or proprietary information for your own personal benefit or the benefit of persons or entities outside the Organization.

Confidential or proprietary information includes all non-public information learned as an employee, volunteer, officer or director of the Organization. It includes, but is not limited to:

- Non-public information that might be (i) of use to suppliers, vendors, joint venture partners or others, (ii) of interest to the press, or (iii) harmful to the Organization or any of its constituents, if disclosed;
- Non-public information relating to the Organization's operations, including financial information, donor lists, mailing lists and any information relating to fundraising (including fundraising efforts, plans, ideas and proposals), minutes, reports and materials of the Board of Directors and its committees, and other documents identified as confidential;
- Non-public information about discussions and deliberations, relating to business issues and decisions, between and among employees, volunteers, officers and directors; and
- Non-public information about fellow employees, directors, officers or volunteers, or any other individuals about whom the Organization may hold information from time to time.

### **5.3 Outside Communication**

The Organization is committed to providing full, fair and accurate disclosure in all public communications and in compliance with all applicable law, regulations and rules. Consistent with this commitment, employees may not answer questions from the media, donors, potential donors or any other members of the public unless specifically authorized to do so. If you should receive such an inquiry, you should obtain the name of the person and their contact information if possible and immediately notify spokesperson designated by the Board of Directors.

As individuals we all have rights to speak out on issues including in a public forum, whether at your town hall or on a social networking media application or website. However, when you speak as an individual it is critical that you do not give the appearance of speaking or acting on the Organization's behalf and that you do not speak about the Organization. You should be especially aware of the broad reach of social networking media applications and websites, and that such media is increasingly being monitored by donors, customers, competitors, regulators and colleagues. Your comments may be attributed to the Organization, even though you did not intend for your comments to be attributed that way.

Whether or not you identify yourself as an employee of the Organization, you may not comment on or provide information relating to the Organization's business (even if such information is not confidential) in an internet chat room, newsgroup, guest book, bulletin board, blog, social or business networking site or similar forum unless you are specifically authorized to do so. You should not comment in such a forum on any subject matter as to which you have knowledge or expertise by virtue of your duties with the Organization. (For additional rules regarding confidential information, see "Confidential Information/Privacy" above.) Finally, you should not post in such a forum your opinions about the Organization unless you are specifically authorized to do so.

### **5.4 Network Use, Integrity & Security**

The Organization reserves the right to monitor or review any and all data and information contained on any employee's or officer's computer or other electronic device issued by the Organization. In addition, the Organization reserves the right to monitor or review an employee's or officer's use of the Internet, Organization Intranet and Organization e-mail or any other electronic communications without prior notice.

Access to Organization systems will be revoked and disciplinary action may be taken in the event that such systems are used to commit illegal acts, or to violate the nondiscrimination, harassment, pornography, solicitation or proprietary information terms of this Code, or any other terms of this Code.

In order to maintain systems integrity and protect the Organization's network, no volunteer, employee or officer should divulge any passwords used to access any Organization computer or database. Any suspected breach of the Organization's network security systems should be reported to a responsible supervisor or appropriate internal authority immediately.

All volunteers, employees and officers should refrain from using or distributing software that may damage or disrupt the Organization's work environment by transmitting a virus or conflicting with Organization systems.

No volunteer, employee or officer should engage in the unauthorized use, copying, distribution or alteration of computer software whether obtained from outside sources or developed internally. All software, including "shareware," contains terms of use that must be adhered to.

## **VI. ILLEGAL PAYMENTS**

No illegal payments of any kind are to be made to any local, state or Federal Government officials in the United States or to government officials of any other country, territory or municipality at any time or under any circumstances. Moreover, no funds or other assets of the Organization are to be paid, directly or indirectly, to government officials or persons acting on their behalf or to representatives of other businesses for the purpose of influencing decisions or actions with respect to the Organization's activities. Kickbacks to or from any person are prohibited.

**Any question as to whether a gift or payment would be considered improper under the Organization's guidelines or national or foreign laws must be discussed with the Organization's legal counsel.**

**Under no circumstance is it acceptable for you to offer, give, solicit or receive any form of bribe, kickback, payoff, or inducement.**

You may not use agents, consultants, independent contractors or other representatives to do indirectly what you could not do directly under this Code or applicable law, rules and regulations.

## **VII. MAINTAINING A SAFE, HEALTHY AND AFFIRMATIVE WORKPLACE**

The Organization is an equal opportunity employer and bases its recruitment, employment, development and promotion decisions solely on a person's ability and potential in relation to the needs of the job, and complies with local, state and federal employment laws. The Organization makes reasonable job-related accommodations for any qualified employee or officer with a disability when notified by the employee that he/she needs an accommodation.

The Organization is committed to a workplace that is free from sexual, racial, or other unlawful harassment, and from threats or acts of violence or physical intimidation. Abusive, harassing or other offensive conduct is unacceptable, whether verbal, physical or visual. If you believe that you have been harassed or threatened with or subjected to physical violence in or related to the workplace, you should report the incident to an appropriate supervisor or the Organization's legal counsel, who will arrange for it to be investigated. All efforts will be made to handle the investigation confidentially.

The Organization will not tolerate the possession, use or distribution of offensive materials on the Organization's property, or the use of the Organization's personal computers or other equipment to obtain or view such materials. All employees and officers must promptly contact

an appropriate supervisor about the existence of offensive materials, especially child pornography, on the Organization's systems or premises so that appropriate action may be taken, including notifying the proper authorities if necessary.

The Organization is committed to providing a drug-free work environment. The illegal possession, distribution, or use of any controlled substances on the Organization's premises or at Organization functions is strictly prohibited. Similarly, reporting to work under the influence of any illegal drug or alcohol and the abuse of alcohol or medications in the workplace is not in the Organization's best interest and violates this Code.

All accidents, injuries, or concerns about unsafe equipment, practices, conditions or other potential hazards should be immediately reported to an appropriate supervisor.

### **VIII. ACCOUNTING PRACTICES, BOOKS AND RECORDS AND RECORD RETENTION**

**Honest and accurate recording and reporting of information is critical to our ability to make responsible business decisions. You have a strict obligation to provide accurate information in the records of the Organization.**

You are expected to support the Organization's efforts in fully and fairly disclosing the financial condition of the Organization in compliance with applicable accounting principles, laws, rules and regulations and making full, fair, accurate timely and understandable disclosure in our reports filed with regulatory agencies and other communications. Our financial statements and the books and records on which they are based must accurately reflect all transactions and conform to all legal and accounting requirements and our system of internal controls.

**All employees, volunteers, officers and directors – and, in particular, the President and Treasurer – have a responsibility to ensure that the Organization's accounting records do not contain any false or misleading entries. Any known or suspected false or misleading entries should be reported immediately to the Treasurer.**

We do not tolerate any misclassification of transactions as to accounts, departments or accounting periods and, in particular:

- All accounting records, as well as reports produced from those records, are to be kept and presented in accordance with law and are to comply with generally accepted accounting principles;
- All records are to fairly and accurately reflect the transactions or occurrences to which they relate;
- All records are to fairly and accurately reflect in reasonable detail the Organization's assets, liabilities, revenues and expenses;
- No accounting records are to contain any false or misleading entries;

- All transactions are to be supported by accurate documentation in reasonable detail and recorded in the proper account and in the proper accounting period; and
- The Organization's system of internal accounting controls, including compensation controls, is required to be followed at all times.

You must always record data in a timely and accurate manner. This protects the Organization's resources and meets the expectations of the people who rely on the accuracy of the Organization's records to perform their jobs. Falsifying business records is a serious offense, which may result in criminal prosecution, civil action and/or disciplinary action up to and including termination of employment. If you are authorized to make expenditures or enter into transactions on behalf of the Organization, you must ensure that the applicable records comply with the Organization's accounting and purchasing policies and that all transactions are recorded properly.

Consistent with the reporting and recordkeeping commitments discussed above, you should accurately and truthfully complete all records used to determine compensation or expense reimbursement. This includes, among other items, reporting of hours worked (including overtime) and reimbursable expenses (including travel and meals).

Compliance with the Organization's records retention policies is mandatory. Destroying or altering a document with the intent to impair the document's integrity or availability for use in any potential official proceeding is a crime. *Destruction of records may only take place in compliance with applicable law and the Organization's records retention policies.* Documents relevant to any pending, threatened, or anticipated litigation, investigation, or audit shall not be destroyed for any reason. If you believe that Organization records are being improperly altered or destroyed, you should report it to a responsible supervisor, the appropriate internal authority or the Organization's legal counsel.

## IX. RAISING QUESTIONS AND CONCERNS

**Each employee, volunteer, officer and director is responsible for promptly reporting to the Organization any circumstances that such person believes in good faith may constitute a violation of this Code or any other Organization policy, or applicable law, regulations or rules.** If you are in a situation that you believe may involve or lead to a violation of this Code, you have an affirmative duty to disclose to, and seek guidance from, a responsible supervisor, the Organization's legal counsel, the President of the Board or other appropriate internal authority. *See "Who Do I Contact for Guidance or to Report Concerns?" above for additional details.*

You are strongly encouraged to report any complaint regarding accounting, internal accounting controls or auditing matters, or other questions, concerns or violations of this Code (including confidential and anonymous complaints) to the following email address:

**It is the Organization's policy to encourage the communication of bona fide concerns relating to the lawful and ethical conduct of business, and audit and accounting procedures or related matters. It is also the policy of the Organization to protect those who communicate bona fide concerns from any retaliation for such reporting.** No retribution against any individual who reports violations of this Code in good faith will be permitted.

Confidential and anonymous mechanisms for reporting concerns are available and are described in this Code. However, anonymous reporting does not serve to satisfy a duty to disclose your potential involvement in a conflict of interest or in unethical or illegal conduct. Every effort will be made to investigate confidential and anonymous reports within the confines of the limits on information or disclosure such reports entail. While self-reporting a violation will not excuse the violation itself, the extent and promptness of such reporting will be considered in determining any appropriate sanction, including dismissal. The Organization will investigate any matter which is reported and will take any appropriate corrective action.

## **X. VIOLATIONS OF THIS CODE**

Allegations of Code violations will be reviewed and investigated by the Organization's legal counsel, or, in appropriate circumstances by the Organization's Audit Committee or other committee designated by the Board of Directors.

**Those who violate the standards in this Code will be subject to disciplinary action. Failure to follow this Code, or to comply with federal, state, local and any applicable foreign laws, and the Organization's policies and procedures may result in, among other actions, suspension of work duties, diminution of responsibilities or demotion, and termination of employment or termination of board service.**

**CERTIFICATE OF COMPLIANCE**

I \_\_\_\_\_ hereby certify that I have read, understand  
(Print name)

and am in compliance with the terms of the foregoing “Code of Conduct and Ethics.”

**Date:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Title:** \_\_\_\_\_