

# Members Exchange Federal Credit Union Policies and Procedures

**Policy:** Bribery Policy

**Applies to:** All Departments

**Approved:** November 21, 1996

## **Statement**

Under the Bank Bribery Act, *Members Exchange Federal Credit Union's* employees, directors, committee members, agents, and attorneys are prohibited from corruptly offering to or accepting from any person anything of value in connection with any business or transaction of the Credit Union. Therefore, it is the policy of *Members Exchange Federal Credit Union* to require all employees, directors, committee members, agents, and attorneys to adhere to the prohibitions of this policy with regard to all business or transactions at *Members Exchange Federal Credit Union*.

## **General Prohibitions**

All credit union employees, directors, committee members, agents and attorneys are prohibited from the corrupt giving or receiving of bribes (anything of value) in connection with the business and affairs of *Members Exchange Federal Credit Union*.

## **Whoever...**

- corruptly gives, offers, or promises anything of value to any person with the intent to influence or reward an officer, director, committee member, employee, agent, or attorney of *Members Exchange Federal Credit Union* in connection with any business or transaction of the Credit Union; or
- as an officer, director, committee member, employee, agent, or attorney of *Members Exchange Federal Credit Union*, corruptly solicits or demands for the benefit of any person, or corruptly accepts or agrees to accept, anything of value from any person, intending to be influenced or rewarded in connection with any business or transaction of the *Members Exchange Federal Credit Union...Shall be guilty of a crime.*

## **Bribery Policy hand-in-hand with Code of Ethics**

The *Members Exchange Federal Credit Union's* Bribery Policy and Code of Ethics complement each other in making both statements clear and precise in meaning and compliance. The policy and code prohibit credit union employees, officers, committee members, agents, or attorneys from self-dealing or otherwise trading on their positions with the *Members Exchange Federal Credit Union* or accepting from a person (doing or seeking to do business with the credit union) a business opportunity not available to other persons or made available because of such persons' positions with the credit union.

## **Alerting and Disclosure**

*Members Exchange Federal Credit Union's* policy and code shall require its employees, officers, committee members, agents, or attorneys to disclose all potential conflicts of interest, including those in which they have been inadvertently placed due to either business or personal relationships with members, suppliers, business associates, or competitors of the credit union.

## ***Acceptable Business Practices & Exceptions to the General Prohibition***

### ***Acceptable Business Practices are...***

- acceptance of gifts, gratuities, amenities, or favors based on the obvious family or personal relationships (such as those between the parents, children, or spouse of a credit union employee, officer, committee member, agent, or attorney) where the circumstances make it clear that it is those relationships rather than the business of the credit union which are the motivating factor;
- acceptance of meals, refreshments, or entertainment, all of reasonable value and in the course of a meeting or other occasion, the purpose of which is to hold bona fide business discussions, provided these expenses would be paid for by the credit union if not paid for by the other party as a reasonable business expense and fall within the limit of \$15.00 as specified and established by the Board of Directors for such an occasion;
- acceptance of loans from banks or other financial institutions on customary terms to finance proper and usual activities of credit union employees, officers, committee members, agents, or attorneys, such as home mortgage loans, except where prohibited by law;
- acceptance of discounts or rebates on merchandise or services that do not exceed those available to other members;
- acceptance of gifts of reasonable value that are related to commonly recognized events or occasions, such as promotion, new job, wedding, retirement, Christmas, or other religious occasions, for which the dollar amount falls within the specified and established limit set by the Board of Directors of \$100.00 for such occasion under appropriate circumstances.
- acceptance of civic, charitable, educational, or religious organizational awards for recognition of service and accomplishment in which the dollar amount falls within the specified and established limit set by the Board of Directors of \$100.00 for such an occasion under appropriate circumstances.

*Members Exchange Federal Credit Union's* written Bribery Policy and Code of Ethics and Conduct may allow, on a case-by-case basis, the acceptance of something of value in connection with credit union business not identified above, provided that such approval is: (1) made in writing after the submission of a full written disclosure of all relevant facts, and (2) is consistent with the Bank Bribery Act Code of Conduct or Written policy.

This Bribery Policy requires that if an employee, officer, committee member, or agent of attorney is offered or receives something of value beyond what is authorized in the credit union's Code of Ethics and Conduct or Written Policy or is asked or encouraged to engage in any conduct which is prohibited by law, he or she must disclose that fact to the President, Chairman of the Board, member of the Supervisory Committee or a Manager of the credit union, all information will be noted, reviewed, and retained by the credit union in a written report.

*Members Exchange Federal Credit Union* will maintain a copy of the Bank Bribery Act Code of Conduct or Written policy, including any modifications, and will require an initial written acknowledgment from each credit union employee, officer, committee member, agent, or attorney of these policies and subsequent material changes and that they will comply with such changes.

**Guidelines in Prosecution**

These guidelines are relevant but not dispositive of any prosecutive decision the Department of Justice may make in a case. Thus, the guidelines are not a substitute for the legal standards set forth in the BBA, though the Department of Justice can be expected to consider the NCUA’s expertise and judgment in defining those activities or practices that the NCUA believes do not undermine the duty of an employee, officer, director, agent or attorney of the *Members Exchange Federal Credit Union*.

**Violations: Consequences for Failure to Comply**

Both parties to a bribe are subject to the penalties of the Bank Bribery Act. The severity of the penalty depends upon the amount of the bribe.

- Bribes valued at \$100 or less subject violators to fines not to exceed \$1,000.00 and /or prison terms of no longer than one year.
- Bribes valued at more than \$100 subject violators to fines not to exceed one million dollars or three times the value of the bribe, whichever is greater, and/or prison terms not to exceed thirty years

The United States Attorney General enforces the requirements of the Bank Bribery Act and prosecutes alleged violations.

Upon evidence and conviction of an employee, officer, director, committee member, agent, or attorney of *Members Exchange Federal Credit Union*, that person will be terminated from employment or (dependent upon the relationship to the credit union) all ties will be severed.

**Acknowledgment**

I acknowledge that I received, read, and understand the above written Bribery Policy and will abide by its terms and conditions while employed by or serving in my relationship with *Members Exchange Federal Credit Union*.

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Signature

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Date

