

Members Exchange Federal Credit Union

Policies and Procedures

Policy: Code of Ethics

Applies to: All Departments

Approved: November 21, 1996

A credit union is a member-owned, nonprofit cooperative thrift institution formed for the purpose of encouraging savings by offering a good return, using collective monies to make loans at competitively low interest rates to members and providing other member services on a cooperative basis. A defined field of membership unites members and democratically operates the credit union under state and federal law and regulation.

This credit union will conduct its relationships and operations in accordance with this purpose and uphold its fundamental commitment to serving its members. This credit union is committed to the highest standards of responsibility and conduct and subscribes to the following guidelines:

Responsibilities to the Members

- To provide the highest level of personal financial services courteously and professionally and to treat all individuals fairly without regard to age, race, creed, national origin, sex, religion, social or economic level.
- To encourage thrift and savings and to protect the assets placed in our care and custody.
- To provide consumer loan services at the least possible cost in exercising the wise use of credit.
- To practice and maintain high standards of sound management, including efficiency, integrity, and economy of operations.
- To adhere to democratic and cooperative principles within the credit union and encourage and facilitate active member participation in its democratic process.
- To provide members with timely and accurate information regarding the financial conditions, operations, and services of the credit union and their individual accounts or transactions.
- To increase members' knowledge and ability to manage and control their financial well-being through counseling and providing educational information and materials.
- To preserve and protect the privacy and confidentiality of all member financial records and transactions. Disclosure of financial conditions or transactions will be made only with the written approval of the member, due legal process, or in accordance with the law.

- To abide by the letter, spirit, and intent of state and federal consumer protection laws and regulations and to provide members with complete and accurate information concerning their rights.

Responsibilities to the Credit Union Movement

- To always promote and protect the best interests and reputation of the credit union movement and avoid and resist influences and practices which are detrimental to it.
- To associate and cooperate with other credit union organizations in building a strong democratic movement for more effective service to members.

Responsibilities to Society

- To participate in community affairs as a responsible member of the society in which the credit union is a part.
- To make credit union membership available to as many people as possible within our field of membership.
- To observe the highest standards of personal conduct at all times.
- To strictly uphold the laws, by-laws, rules, policies and regulations relating to the operation of the credit union.
- To guard against the use of the credit union position for personal or financial advantage or special privilege and avoid conflicts of interest with its policies and operations.
- To carry out the duties and responsibilities of the credit union position to the best of one's abilities and to seek out and participate in opportunities to increase that knowledge and skill.
- To always speak of the credit union and any credit union related matters in a positive, truthful and honest fashion, and maintain any and all confidential or sensitive information in the strictest manner possible.

Conflict of Interest Policy

It is in the best interest of the Credit Union and its membership that all persons acting on behalf of the credit union exercise their duties using independent judgment and without influence of any facts which may give rise to a conflict of interest. It is the affirmative duty of all officers, directors, committee members and employees to fully disclose to the Board any situation where he/she may have a potential conflict of interest.

While serving in any capacity related to the Credit Union, a conflict of interest may arise if:

- A person uses his or her position to promote and further their own self-interests, be they financial or otherwise.
- A person serves on the Board or any committees while actively soliciting or working for companies, products, or services that compete in any way with the Credit Union.

- A person actively participates in or votes on a decision by the Board or any committee which will directly or indirectly affect his or her personal interest or the personal interests of any other organization or entity in which he/she has a substantial interest.
- A person receives any gift or personal favor of substantial value in return for special consideration granted in the past, present, or to be granted in the future.
- A person has or makes any personal investments that might conflict with the interests of the Credit Union or might influence his or her judgment when carrying out his or her Credit Union duties.

Conflict of Interest Considerations

Have you, while serving in your official capacity with ***Members Exchange Federal Credit Union***:

- Directly or indirectly received any commission, compensation or financial incentive, or a promise of the same, based on the business transactions of ***Members Exchange Federal Credit Union***, other than your normal reimbursement, salary or compensation?
- Held any position with any entity that might conflict with the Credit Union interest or impair your independent judgment in exercising your duties?
- Disclosed any confidential information or used any confidential information to further your own personal interest?
- Received any gift or personal favor of substantial value from any person who has or is likely to have any business dealings with the Credit Union?
- Held or made any personal investment which might conflict with the interests or impair your independence of judgment in the exercise of your Credit Union duties?

ACKNOWLEDGEMENT FOR CODE OF ETHICS COMPLETION AND SIGNATURE BELOW

I certify, to the best of my knowledge and belief, that:

_____ I have no present conflict of interest within the intent of the Conflict of Interest Considerations.

_____ I have the following conflict of interest:
(For additional writing space, write on the back of this page or attach other pages to describe the conflict(s) in detail)

Code of Ethics Acknowledgment

I acknowledge that I have received, read and understand the ***Members Exchange Federal Credit Union's*** Code of Ethics and agree to abide by the terms therein.

Print Name

Signature

Date