

# Palatka Gas Authority - Business Code of Ethics and Conduct

Palatka Gas Authority (PGA) is committed to conducting its business in compliance with high ethical standards, all applicable laws, rules and regulations. PGA's Business Code of Ethics and Conduct has been developed to ensure our business is conducted in adherence with high ethical and legal principles and sets standards of professionalism and integrity for all employees and directors.

A code of conduct cannot cover all circumstances or anticipate every situation. Employees and directors encountering situations not addressed specifically by this Code should apply the overall philosophy and ethical standards observed by honorable people everywhere. Situations that are not covered may be reviewed with the Manager of the Authority.

## Conduct and Behavior Standards

All employees, managers and directors are expected to contribute to the success of PGA by performing their jobs as required and conducting themselves in a professional manner consistent with the Authority's business philosophy, values and standards of business conduct.

Employee honesty and integrity are essential to ethical business practices. Employees are required to prepare all reports, including expense reports and time cards accurately and truthfully.

Unacceptable conduct that is considered detrimental to the Authority's best interests may result in immediate disciplinary action, up to and including termination of employment.

Misuse of PGA property, including the Authority's equipment, supplies, e-mail, intranet, and computer and voicemail systems can constitute unethical conduct. These tools and resources are intended to assist employees in conducting legitimate Authority business, and any other use of such property is discouraged.

Any of the following conduct by any employee, manager or director must be reported immediately to the General Manager. If the General Manager is alleged to be involved in the conduct, then the report shall be conveyed to the President of the Board.

- Violation of the Authority's revenue recognition policies and procedures, or any other Authority policies or procedures designed to insure full, fair, accurate, timely and understandable disclosure of Authority information as required by any applicable governmental law, rule or regulation.
- Failure to fully, fairly, accurately, understandably and timely disclose to the appropriate individual(s) within the Authority any and all information that relates to the Authority's business, operations or financial condition that may need to be reported or disclosed pursuant to any applicable governmental law, rule or regulation.
- Misrepresentation, concealment, falsification or destruction of any documents or other information relating to the Authority's business, operations or financial condition that may be required to be reported or disclosed, or used to prepare documents required to be reported or disclosed pursuant to any applicable governmental law, rule or regulation.

- Any other activity or conduct that could cause an individual, the Authority or any of its managers or directors to violate any applicable governmental law, rule or regulation relating to full, fair, accurate, timely and understandable disclosure of information required to be disclosed to any third person.

### **Compliance with Laws**

Each employee, manager and director is expected to understand and comply with both the letter and intent of all governmental laws, rules and regulations and with all Authority policies and procedures; and to cooperate fully with relevant public authorities and regulatory bodies as appropriate.

Any employee, who is uncertain as to the meaning or interpretation of any law, rule, regulation, policy or procedure, or its application to his or her responsibilities, is expected to seek advice from a manager or other appropriate Authority official. Any director, who is uncertain as to the meaning or interpretation of any law, rule, regulation, policy or procedure, or its application to his or her responsibilities, is expected to seek advice from the President of the Board or the Board's attorney.

### **Conflict of Interest**

Whether it is actual or apparent, conflicts of interest must be avoided. Actions taken by employees should be objective and based on the best interests of the Authority. There are too many instances where such conflicts may arise to list, but the following list may prove helpful:

- Using your position in the Authority to hire family members or friends, including consultants;
- Making significant use of Authority time or resources for private personal interests such as surfing the net or doing private mailings for your club;
- Making significant use of Authority time, labs, phones or computers to benefit your private business interests such as doing private research to invent patents not related to Authority interests, running an outside business, or day trading in stocks;
- Using your position in the Authority to influence purchasing decisions for businesses you own, or are owned by family members or friends, so that the Authority pays more than from other sources;
- Influencing purchasing decisions to get event tickets, services or goods for personal consumption;
- Competing directly with the business interests of the Authority;
- Taking for themselves personally opportunities that they discover through the use of Authority property or information or through their position with the Authority;
- Using Authority resources, to achieve promotions in professional or other organizations which are not work-related or for personal gain;
- A personal or family interest in an enterprise that has material business dealings (e.g., competitors, supplies, and customers) with PGA.

If you are uncertain as to whether you may have a conflict of interest due to your investments or outside activities, you should consult with the General Manager. If you have a conflict of interest, or are engaged in a transaction or relationship that could reasonably be expected to give rise to such a conflict, you must promptly report the conflict of interest to management of the Authority. If you are a member

of management or the Board of Directors, you may not engage in any activity giving rise to an actual or potential conflict of interest without the prior approval of the Board of Directors.

### **Confidential Information**

Employees, managers, directors and director nominees are required to maintain the confidentiality of, and not use for personal benefit, confidential information entrusted to them by the Authority, its customers or its suppliers, or otherwise acquired in the course of their employment by or service to the Authority. Confidential information includes all information protected by law or by an agreement between the Authority and a third party, as well as other non-public information that, if disclosed, might be harmful to the Authority or its customers.

### **Proper Accounting and Maintenance of Records**

The maintenance of accurate financial and accounting records is essential in order to enable the Authority to comply with the requirements of state and federal laws. All Authority assets and liabilities and all items of revenue and expense shall be properly recorded in the Authority's regular books and records in accordance with generally accepted accounting principles. All employees and managers who are responsible for the recording or reporting of Authority property, assets, liabilities, transactions and other activities are required to provide full, fair, accurate, timely and understandable recording or reporting thereof. Without limitation of the foregoing:

- No undisclosed or unrecorded fund or asset of the Authority shall be established or maintained for any purpose.
- No employee or manager of the Authority shall intentionally conceal or fail to record or report any matter that is required to be recorded or reported.
- No employee or manager of the Authority shall improperly record or report any matter, or improperly alter any record or report of any matter.

### **Disbursement of Funds**

No payment or other disbursement of Authority funds shall be made without proper authorization or without adequate supporting documentation. No payment on behalf of the Authority shall be approved or made with the intention or understanding that any part of such payment is to be used for a purpose other than that described by the documents supporting the payment.

### **Gifts, Gratuities and Entertainment**

An employee, manager or director may make gifts, generally in the form of meals, entertainment or specialty advertising items, to Authority customers, suppliers or other third parties engaged, or that may become engaged, in business with the Authority if the gift meets all of the following criteria:

- It is consistent with customary business practices;
- It is not for an improper purpose;
- It is not in conflict of or with any applicable laws, rules, regulations or ethical standards; and
- Public disclosure of the full details of the gift would not cause embarrassment to the Authority.

Special care must be taken in accepting or giving gifts and entertainment. These are not permitted if it would create a real or perceived conflict of interest. The exchange of social courtesies is acceptable when there is a clear business purpose and they remain within good taste. Neither the receipt nor the giving of excessive entertainment, substantial gifts or favors is acceptable.

No employee, manager or director shall solicit from any supplier, customer or other person doing business, or seeking to do business, with the Authority any gift of money, products or services, gratuity, loans or guarantees, or other personal benefits of any kind.

An employee, manager or director, including their family members, may accept an unsolicited gift or gratuity of nominal value or reasonable business entertainment (including recreation and attendance of sporting or cultural events) if the gift or gratuity meets all of the following criteria:

- It does not go beyond common courtesies usually associated with accepted business practices;
- It does not interfere with the recipient's independence or judgment in carrying out his or her responsibilities on behalf of the Authority; and
- Public disclosure of the full details of the gift or gratuity would not cause embarrassment to the Authority.

Any gifts or gratuities that do not meet these requirements must to the extent possible be returned.

#### **Relationship with Customers and Suppliers**

When dealing with customers and suppliers PGA is committed to:

- Providing all customers and suppliers with exceptional service;
- Deal fairly and ethically with all customers and suppliers and treat them with respect;
- Provide accurate and clear information; and
- Investigate promptly and resolve on fair terms all complaints and inquiries;

Each employee, manager and director has a responsibility to use his or her best efforts to ensure that these objectives are attained and to act in the best interest of PGA at all times while adhering to the highest standards of ethical conduct. PGA prohibits all unlawful behavior, manipulation, misrepresentation of facts and other forms of unfair dealings with customers and suppliers.

#### **Employment, Discrimination and Harassment**

It is PGA's goal to offer unambiguous and fair terms of employment and to provide employees with appropriate opportunities to develop their skills and progress in their careers. It is our intention to honor all applicable terms and conditions of employment.

The Authority recognizes its duty and the benefits of providing working conditions which promote good health, safety and environmental practices. Employees are encouraged to recognize their duty to act in a responsible manner in the workplace and to report immediately any health, safety or environmental concerns to their manager in order to protect the welfare of themselves and colleagues.

All employees regardless of their color, race, religion, marital status, sexual orientation, disability or age should be treated fairly and honestly with both respect and dignity. Harassment (including sexual, physical, mental, use of abusive language or offensive gestures) or bullying, in any shape or form will not be tolerated. Any employee who is proved to have acted in a discriminatory manner or to have indulged in bullying or harassment will be subject to disciplinary procedures and all employees are strongly encouraged to report such incidents.

It is our policy to respect the human rights of all employees, including:

- Ensuring employees have the freedom to associate or to collectively bargain without fear of discrimination against the exercise of such freedoms;
- A prohibition on using forced or child labor; and
- Appropriate restrictions on the access and use of personal employee information to respect rights of privacy.

### **Health, Safety and Environment**

PGA is committed to providing a safe and healthy work place for our employees and for visitors to our premises. We are equally committed to preventing deterioration of the environment and minimizing the impact of our operations on the land, air and water. These commitments can only be met through the awareness and cooperation of all PGA employees. We each have a responsibility to abide by safe operating procedures, to guard our own and our fellow Employee's health, to maintain and utilize pollution control systems, and to follow safe and sanitary procedures for the disposition of hazardous waste materials.

It is PGA's policy to comply with both the letter and the spirit of the laws and regulations imposed by regulatory agencies, and to attempt to develop a cooperative attitude with inspection and enforcement personnel from the agencies. In keeping with this spirit, employees are encouraged to report to their managers, conditions that they perceive to be unsafe, unhealthy or hazardous to the environment.

### **Political Activities**

PGA encourages its employees, managers and directors to be good citizens and to fully participate in the political process, but those who participate in partisan political activities must make every effort to ensure that they do not create the impression that they speak or act on behalf of PGA.

### **Reporting Infractions**

All employees have the right and the responsibility to question possible wrongdoings and are encouraged to remain vigilant against such possible actions. If an employee suspect's wrongdoing (whether or not the suspected act has actually occurred), he or she should immediately report the matter to their manager. Management should be able to advise if the action in question is in fact a wrongdoing. If the employee feels that he or she cannot report the suspected wrongdoing at a local level, the employee should report it immediately to the President of the Board, who is authorized directly by the Board of Directors to investigate any such matters. Employees who report the suspected wrongdoing to President of the Board may do so in confidence and may report the suspected wrongdoing anonymously if they do so via a letter.

## Violations

Any employee, officer or director who fails to comply with any applicable law, rule, or regulation or with this Code of Ethics is subject to disciplinary action, which could include, without limitation, a reprimand, probation, suspension, reduction in salary, demotion or dismissal — depending upon the seriousness of the offense.

## Distribution

A copy of this Business Code of Ethics and Conduct shall be provided to each employee, manager and director of the Authority.