



ANTI-BRIBERY AND CORRUPTION POLICY

The purpose of this Policy is to ensure that all City employees, and independent contractors or other third parties working on behalf of the City, know and understand what it means to conduct City business in an ethical manner, specifically as it pertains to complying with all applicable laws governing anti-bribery and corruption, and best practices to avoid such conduct (or even the appearance of such conduct).

I. INTRODUCTION

The City of Republic is committed to acting professionally and with integrity when conducting all business activities on behalf of the City. The City takes a zero-tolerance approach when it comes to bribery or corruption of any kind, including any attempt of bribery or corruption, either by City employees/officials, contractors, vendors, or other agents or third parties operating on behalf of the City.

City officials and employees must comply with all applicable laws and regulations as well as best practices as further specified within this Policy. The City shall not condone the activities of officials or employees who seek to gain and/or achieve results through violation of the law or unethical business dealings.

Any employees found to be in violation of this Policy, whether through past or ongoing conduct, may be subject to disciplinary action in accordance with the City's Personnel Policy Manual and/or may be subject to civil and criminal fines and prosecution.

II. DEFINITIONS

- **Bribery.** An agreement, whether express or implied, to give any item of value in exchange for a public official taking an action, making a decision, or engaging in any other act in their official duties.
 - Inducement. A thing that persuades or influences someone to do something that brings about an action or desired result.
 - Business Advantage. Choosing a vendor over another as a means for personal gain by receiving anything of value that may influence an official business decision.
 - Gifts. A good or service received by a City employee on behalf of the City that is a personal gain in exchange for a promise to do business with a vendor by forgoing due diligence as required. (i.e., meals, gift certificates, tickets, or cash equivalencies)
- **Corruption.** Wrongful use of influence in connection with a business transaction in order to procure some benefit for oneself or another person, conflicting with one's duty to his or her employer or the rights of another.



ANTI-BRIBERY AND CORRUPTION POLICY

Conflict of Interest. An undisclosed economic or personal interest in a transaction that adversely affects the employer.

- Illegal Gratuities. The giving of a gift in response to an action or decision by a public official. While bribery takes place before the decision or act, an illegal gratuity occurs when an item of value is given to a public official after the public official has made a decision or taken an act in his/her official capacity.
- **Kickback.** A payment or agreement made, the use of purchase orders, subcontracts, or consulting agreements, in order to channel business or payment to a vendor, an employee's relative, or a business associate.
- **Extortion.** Directly or indirectly accepting a kickback or bribe.
 - Economic Extortion. An employee demands that a vendor/contractor/etc. pay to influence an official act or a business decision.

III. STANDARDS

It is prohibited for any City employees, consultants, and contractors operating on the City's behalf, to condone:

- Engaging in any activity that is not in compliance as outlined and thus is a breach of this Policy.
- Providing payments without a proper paper trail which are out of compliance with the City's Purchasing and Disposal Policy and are not met with typical internal controls.
- Attending private meetings as requested by current or future vendors that are soliciting the City's business to gain an advantage outside the scope of normal bidding and/or due diligence practices.
- Contracts awarded to vendors that contain unexplained preferences over another vendor that would not meet the City's Purchasing and Disposal Policy requirements.
- Accepting gifts or payments from a vendor that it is offered as a "quid pro quo" act and thus a business advantage can be obtained.
- Providing payment in excess of the original contractual amount approved.
- Threatening an employee who has raised concern, is a whistleblower, or who has refused to take part in an act of bribery or corruption in an attempt of retaliation.



ANTI-BRIBERY AND CORRUPTION POLICY

IV. STATE STATUTES

The following State Statutes apply to this Policy:

576.010. Bribery of a public servant — penalty.

1. A person commits the offense of bribery of a public servant if he or she knowingly offers, confers or agrees to confer upon any public servant any benefit, direct or indirect, in return for:
 - (1) The recipient's official vote, opinion, recommendation, judgment, decision, action or exercise of discretion as a public servant; or
 - (2) The recipient's violation of a known legal duty as a public servant.
2. It is no defense that the recipient was not qualified to act in the desired way because he or she had not yet assumed office, or lacked jurisdiction, or for any other reason.
3. The offense of bribery of a public servant is a class E felony.

576.020. Public servant acceding to corruption — penalty.

1. A public servant commits the offense of acceding to corruption if he or she knowingly solicits, accepts or agrees to accept any benefit, direct or indirect, in return for his or her:
 - (1) Official vote, opinion, recommendation, judgment, decision, action or exercise of discretion as a public servant; or
 - (2) Violation of a known legal duty as a public servant.
2. The offense of acceding to corruption by a public servant is a class E felony.

576.040. Official misconduct — penalty. —

1. A public servant, in such person's public capacity or under color of such person's office or employment, commits the offense of official misconduct if he or she:
 - (1) Knowingly discriminates against any employee or any applicant for employment on account of race, creed, color, sex or national origin, provided such employee or applicant possesses adequate training and educational qualifications;
 - (2) Knowingly demands or receives any fee or reward for the execution of any official act or the performance of a duty imposed by law or by the terms of his or her employment, that is not due, or that is more than is due, or before it is due;
 - (3) Knowingly collects taxes when none are due, or exacts or demands more than is due;



ANTI-BRIBERY AND CORRUPTION POLICY

- (4) Is a city or county treasurer, city or county clerk, or other municipal or county officer and knowingly orders the payment of any money, or draws any warrant, or pays over any money for any purpose other than the specific purpose for which the same was assessed, levied and collected, unless it is or shall have become impossible to use such money for that specific purpose;
- (5) Is an officer or employee of any court and knowingly charges, collects or receives less fee for his services than is provided by law;
- (6) Is an officer or employee of any court and knowingly, directly or indirectly, buys, purchases or trades for any fee taxed or to be taxed as costs in any court of this state, or any county warrant, at less than par value which may be by law due or to become due to any person by or through any such court; or
- (7) Is a county officer, deputy or employee and knowingly traffics for or purchases at less than the par value or speculates in any county warrant issued by order of the county commission of his or her county, or in any claim or demand held against such county.

2. The offense of official misconduct is a class A misdemeanor.

V. APPLICABILITY

This Policy applies to all elected officials, appointed committee/board members and employees of the City of Republic, as well as any individual or entity doing business on behalf the City.

VI. BUSINESS ETHICS

The City recognizes and respects the individual employee's right to engage in activities outside of his or her employment which is private in nature and do not in any way conflict with or reflect poorly on the City.

Management reserves the right, however, to determine when an employee's activities represent a conflict with the City's interests and to take whatever action is necessary to resolve the situation -- including termination of the employee.

It is impossible in a general Policy statement to define all the various circumstances and relationships that would be considered "*unethical*." Following is a non-exclusive list of activities that would reflect in a negative way on the employee's personal integrity or that would limit the employee's ability to discharge job duties and responsibilities in an ethical manner.



ANTI-BRIBERY AND CORRUPTION POLICY

- Carrying on City business with a firm, in which the employee, or a close relative of the employee, has substantial ownership or interest.
- Holding a substantial interest in, or participating in the management of, a firm, from which the City makes purchases.
- Borrowing money from customers or firms, other than recognized loan institutions, from which the City buys services, materials, equipment, or supplies.
- Accepting substantial gifts or excessive entertainment from an outside organization or agency.
- Speculating or dealing in materials, equipment, supplies, services, or property purchased by the City.
- Misusing privileged information or revealing confidential data to outsiders.
- Using one's position in the City or knowledge of its affairs for outside personal gain.

Employment with the City carries a responsibility to be constantly aware of the importance of ethical conduct. Employees must refrain from taking part in, or exerting influence in, any transaction in which their own interests may conflict with the best interests of the City.

VII. RESPONSIBILITIES

The City Administrator, City Council Members, City Managers, and City employees have defined responsibilities and procedures to follow when there is knowledge or suspicion of an act committed in violation of this Policy.

- **Employee Responsibilities:**
 - If an employee has reason to suspect that an incident of bribery or corruption has occurred, he/she shall immediately contact the Finance Department.
 - If a violation of this Policy is determined, City Administration will take appropriate corrective and disciplinary action, up to and including dismissal as set forth in the City's Personnel Policy Manual.
- **Associated Entities:**
 - Each manager/supervisor of the City is responsible for instituting and maintaining a system of internal controls to provide reasonable assurance for the prevention and detection of bribery or corruption actions and other similar irregularities.



ANTI-BRIBERY AND CORRUPTION POLICY

It is the responsibility of the City Council, City Administrator and/or City Attorney, managers/supervisors, and chairpersons to ensure all applicable individuals have read and understand the *City of Republic Anti-Bribery and Corruption Policy* and understand their responsibilities as related to the prevention, detection and reporting of suspected bribery or corruption, misconduct, and dishonesty. Signing of the attached *Anti-Bribery and Corruption Recognition and Understanding Form* signifies that this process has occurred.

VIII. WHISTLE-BLOWER PROTECTION

Employees who observe and, in good faith, report a violation of the City's Anti-Bribery and Corruption Policy shall be granted the protections contained herein. However, such protection shall not be afforded to employees on a retroactive basis to those employees who are the subject of pending disciplinary action. When informed of a suspected impropriety, neither the City nor any person acting on behalf of the City shall:

- Dismiss or threaten to dismiss the reporting employee;
- Discipline, suspend or threaten to discipline or suspend the reporting employee;
- Impose any penalty upon the reporting employee; or
- Intimidate or coerce the reporting employee.

Violation of this section shall result in discipline up to and including dismissal in accordance with applicable federal, state, and local administrative laws.

IX. AUTHORITY AND INVESTIGATION

It is the City's intent to fully investigate any suspected acts of bribery or corruption or other similar irregularity. An objective and impartial investigation shall be conducted regardless of the position, title, length of service or relationship with the City of any party who might be or becomes involved in or becomes/is the subject of such investigation.

- The Finance Department has the primary responsibility for the investigation of all activity as defined in this Policy.
- Throughout the investigation, the Finance Department shall inform the City Administrator of pertinent investigative findings.
- Upon conclusion of the investigation, the results shall be reported to the City Administrator.
- The City Administrator, following review of investigation results, shall take appropriate action regarding employee misconduct. Disciplinary action can include termination and referral of the case for possible prosecution.



ANTI-BRIBERY AND CORRUPTION POLICY

X. DISCIPLINE

Violations of this Policy by an employee will be handled in accordance with the City's Personnel Policy Manual. All other persons or entities that are found to have violated this Policy will be either removed from the applicable board or committee or subject to suspension by the City from future business transactions for a specified period of time.

XI. EXCEPTIONS

There shall be no exceptions to this Policy.

XII. POLICY ACKNOWLEDGEMENT

All City employees and committee/board members of the City of Republic shall be responsible for understanding and adherence to this Policy. On an annual basis, these applicable individuals are required to review the current City of Republic Anti-Bribery and Corruption Policy and acknowledge their understanding of it by signing the Anti-Bribery and Corruption Policy Recognition and Understanding Form found at the end of this document.

REFERENCES

City of Republic, Missouri's Fraud Prevention and Detection Policy

Ascendant Resources Inc's Anti-Bribery & Corruption Policy



ANTI-BRIBERY AND CORRUPTION POLICY

RECOGNITION AND UNDERSTANDING FORM

My signature signifies that I have read the *Anti-Bribery and Corruption Policy* and that I understand my responsibilities related to the prevention, detection and reporting of suspected fraud, misconduct, dishonesty, and other similar irregularities.

Printed Employee Name:

Employee Signature:

Date:

Manager/Supervisor Signature:

Date: