

# Chattanooga Fire & Police Pension Fund

## Ethics Policy

### INTRODUCTION

Service to the participants and beneficiaries ("Participants") of the Chattanooga Fire & Police Pension Fund (the "Fund") is the primary function of the Board of Trustees (the "Board") and employees of the Fund ("Staff"). In addition, the Board and Staff are obligated to safeguard the assets of the Fund. The Fund was created by the Charter of the City of Chattanooga, and is subject to certain Ordinances of the City of Chattanooga defined as Chattanooga City Code, Chapter 2, Article III, Division 5, as amended.

The purpose of this Policy is to ensure the individual Board members ("Trustees") and Staff are independent and impartial with respect to the administration of the Fund. The Participants and the general public must have full confidence in the Fund's Trustees and Staff to prudently manage the assets of the Fund with integrity and for the sole and exclusive purpose of providing benefits.

No Policy can replace the thoughtful behavior of an ethical Trustee or Staff. However, such a Policy can focus the Board and Staff on areas of ethical risk, provide guidance to help recognize and deal with ethical issues, provide mechanisms to report unethical conduct and help to foster a culture of honesty and accountability.

Trustees and Staff shall seek advice from the Fund Administrator or Board President whenever they have a question about whether a potential ethics violation exists or even the appearance of a violation. In turn, the Fund Administrator and/or Board President may consult with the Fund's attorney regarding these issues.

By signing this policy, Trustees hereby acknowledge they are fiduciaries of the Plan relative to the services they provide.

Trustees and Staff not only have a responsibility to personally abide by this Policy but also have the responsibility to monitor each other's actions.

### ENFORCEMENT OF THE STANDARDS OF THIS POLICY

The Board will determine appropriate actions in the event of violations of this code. Such actions will be reasonably designed to deter wrongdoing and to promote accountability for adherence to this Policy.

### WAIVERS OF THIS POLICY

All Trustees and Staff are expected to follow the standards set forth in this Policy. Any waiver from any part of this Policy requires the approval of the Board and any such waiver will be promptly included in the minutes of the board meeting. Any waiver must be accompanied by appropriate controls designed to protect the Fund.

### ANNUAL REVIEW

By signing this policy, all Trustees and Staff acknowledge their understanding of and commitment to adhere to this Policy on an annual basis in the month of September. The Fund Administrator shall report to the Board any Trustee or Staff that has failed to sign this policy by the end of September.

## STANDARDS OF BUSINESS CONDUCT

### GENERAL

All Trustees and Staff are required and expected to exercise the highest ethical standards of conduct and practice fundamental honesty at all times. Trustees and Staff shall not deceive, defraud or mislead other Trustees or Staff or those with whom the Fund has business or other relationships nor shall Trustees or Staff misrepresent the Fund in any negotiations, dealings, contracts or agreements, or engage in unethical business practices of any type. Trustees and Staff shall use their best efforts to perform their duties to acceptable standards.

### TRUSTEE ATTENDANCE

This section of the Ethics Policy replaces the Board Member Meeting Attendance Policy previously adopted on October 6, 2005.

The Board has determined that it is necessary for the proper and efficient administration of the Fund that the Trustees attend all regularly scheduled and special called meetings; as well as other Board functions on a regular basis.

If a Trustee must miss a meeting or function, such Trustee shall notify the Fund Administrator prior to the meeting to explain the reason for missing the meeting. The Fund Administrator shall then determine if the absence constitutes an excused absence. At any time a Trustee has at least two unexcused absences during his/her current three year term, the Fund Administrator shall notify the Board President (or Vice President), who in his/her sole discretion may call for a vote to remove the Trustee from the Board. Further, if a Trustee has an excessive number of excused absences, so that it becomes difficult for the Board to properly administer the Fund, the Board President (or Vice President) may call for a vote to remove the Trustee from the Board. If a majority of the Board votes to remove the Trustee, he/she shall be removed from the Board immediately.

The remaining term of the elected Trustee removed under the provisions of this policy shall be completed in accordance with the requirements of Section 2-406 of the ordinances governing the Fund.

### CONFLICTS OF INTEREST

Participants expect Trustees and Staff to act with integrity and objectivity in their service to the Fund. Integrity stated simply is doing what is right. Objectivity requires Trustees and Staff to be impartial and honest. A conflict of interest occurs when an individual's private interest interferes in any way - or even appears to interfere - with the interests of the Fund as a whole. Every Trustee or Staff of the Fund has certain responsibilities to avoid not only breaches of trust against the Fund but also any reasonable appearance of a conflict of interest.

- No Trustee or Staff may use their position to obtain financial gain or anything of substantial value for their private benefit or the private benefit of any person with whom they have a close personal relationship. Trustees shall describe the conflict and excuse themselves from any discussion or vote where they are not able to exercise independent and impartial judgment due to a direct or indirect conflict of interest. If a Trustee or Staff is not sure whether a direct or indirect conflict exists, the Trustee or Staff shall explain the circumstances to the Fund Administrator and Board President (or Vice President) who shall determine if a conflict exists.
- The Fund will not engage any company to perform work or provide services to the Fund in which a Trustee or Staff (or an immediate relative of a Trustee or Staff) of the Fund has more than a 5% ownership interest. Immediate relative shall be defined as a spouse, parent, grandparent, child, grandchild, brother or sister (including step and in-law relatives).



- Trustees and Staff of the Fund or any organization with which they are affiliated are prohibited from receiving improper personal benefits as a result of their position with the Fund. Improper personal benefits include benefits to immediate relatives. In this regard, Trustees and Staff will not solicit or coerce the offering of a gift, accept a gift in return for being influenced in the performance of an official act, or accept frequent gifts (even of a small value) such that a reasonable person is likely to conclude the Trustee or Staff is using his or her position for private gain.
- Trustees and Staff of the Fund shall not perform work for any person or organization that does business with the Fund or that seeks to do business with the Fund or that has done business with the Fund during the prior 12 months. Trustees and Staff of the Fund are not to take a position with another organization, including board positions, that have regular business dealings with the Fund or that have done business with the Fund during the prior 12 months.

## PERSONAL GAIN

Trustees and Staff are committed to manage the Fund for the benefit of the Participants, not for their personal enrichment. Trustees and Staff owe a duty to the Fund to advance its legitimate interests when the opportunity to do so arises. Business courtesies are designed to build goodwill and sound working relationships among business partners, not to gain any special advantage in the relationship. Consequently, the highest ethical standards of loyalty, integrity and prudence are required of the Trustees and Staff.

- Trustees and Staff are prohibited from taking for themselves personally, or for another organization with which they are affiliated, opportunities that are discovered as a result of their position with the Fund.
- Moreover, Trustees and Staff must not use Fund property, information or position for personal gain.
- No Trustee or Staff should ever give or accept a business courtesy that might be intended to influence, or appear to influence, a business decision. Gifts and other common business courtesies of nominal value which do not influence or give the appearance of influence are acceptable.
- Notwithstanding other sections of this Policy, meals may be accepted provided they are not lavish and not for the sole purpose of gaining exclusive access to a Trustee or Staff to influence a decision.
- Trustees and Staff are prohibited from directly or indirectly promising, offering or making payment of money or anything of value to anyone with the intent to induce favorable business treatment or to improperly affect business or government decisions.

## FAIR DEALING

Trustees and Staff must protect the Participants by exercising the qualities of justice, courage and compassion.

- No Trustee or Staff should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice.
- Trustees and Staff must disclose all material facts they possess related to a board decision.
- The Fund will not tolerate discrimination or harassment against its Participants, Staff or Trustees. Differences respected by the Fund include race, gender, religion, color, national origin, age, disability, sexual orientation, veteran status and marital status.

## USE OF FUND PROPERTY AND EQUIPMENT

The property and equipment of the Fund is acquired to advance its objectives of providing benefits for the Participants. Therefore, the Trustees and Staff are accountable to the Participants for the efficient and effective use of that property and equipment.

- Trustees and Staff may only use Fund property and equipment for legitimate business purposes to advance the interests of the Fund and its Participants.
- Trustees and Staff are expected to protect the property and equipment of the Fund and ensure their proper use.
- Notwithstanding the above, Trustees and Staff may, from time to time, utilize Fund property for incidental use not directly intended to advance the interests of the Fund and its Participants where such use does not result in an increased cost to the Fund. Any such use must be approved by the Board prior to such use.

## COMPLIANCE WITH LAWS AND REGULATIONS

The Board recognizes that the law establishes the minimum requirement and that ethical behavior incorporates both the letter and the spirit of the law. Maintaining the trust of the Participants requires ethical behavior of the Trustees and Staff.

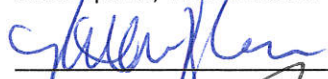
- Trustees and Staff are expected to promote compliance with all applicable laws, rules and regulations.
- Trustees and Staff should not trade any security or other investment for their own account or on behalf of others with knowledge that the Fund is actively trading those securities or investments until two business days after the Fund's activity is complete.

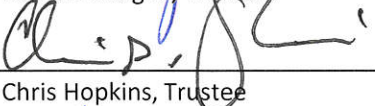
Nothing in this Policy should be construed to interfere with or supersede any other code or policy to which an individual may be subject.

By signing below, the Trustees and Staff acknowledge their understanding and commitment to adhere to this Policy effective as of November 4, 2021.

  
\_\_\_\_\_  
Joseph Shaw, President

  
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Scott Sparks, Vice President

  
\_\_\_\_\_  
Nathan Vaughn, Trustee

  
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Chris Hopkins, Trustee


  
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Katrina Abbott, Fund Administrator

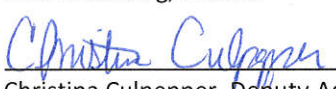
  
\_\_\_\_\_  
Doug Kelley, Administrative Assistant

  
\_\_\_\_\_  
Britt Bradshaw, Secretary

  
\_\_\_\_\_  
Phillip McClain, Trustee

  
\_\_\_\_\_  
Matthew Rorex, Trustee

  
\_\_\_\_\_  
Brent Goldberg, Trustee

  
\_\_\_\_\_  
Christina Culpepper, Deputy Administrator