



## **CORPORATION OF HAMILTON**

### **Code of Ethics and Conduct**

#### **SECTION 1 – PREAMBLE: Purpose of the Code & Key Principles**

1.1 The Corporation of Hamilton (“the Corporation”) is committed to the highest standards of honest and ethical conduct and compliance with all applicable laws and regulations including but not limited to the Municipalities Act 1923, the Deputy Mayor Act 1935, the Public Treasury (Administration and Payments) Act 1969, the Parliamentary Election Act 1978, the Good Governance Act 2012, the Municipalities Amendment Act 2013 and the Financial Instructions issued by the Minister of Finance on 13 March 2014 pursuant to Section 7B of the Municipalities Act 1923.

1.2 The Bermuda public and the constituents of the Corporation have a high expectation of those who are elected to serve on the Corporation and the way in which they should conduct themselves in undertaking their duties for the Corporation. Elected Members therefore have a duty to uphold the law and to act morally, ethically and on all occasions in accordance with the public trust placed in them.

1.3 This Code of Ethics and Conduct (“the Code”) that sets forth legal and ethical standards of conduct for elected Members of the Corporation (as defined in section 2) with respect to the discharge of their obligations to the Corporation and to the City of Hamilton, their constituents, and the public at large. By virtue of the oath or affirmation of allegiance taken by all Members when they are elected to the Corporation, Members have a duty to be faithful and bear true allegiance to Her Majesty the Queen, her heirs and successors, according to law.

1.4 As a Member of the Corporation, you must meet those expectations by ensuring that you become familiar and stay familiar with the provisions of the Code. It is your personal responsibility to review the Code regularly, as well as your personal circumstances with the Code in mind, especially when your circumstances change, to ensure continued compliance with the Code. Further you must not at any time advocate or encourage any action on the part of others that is contrary to the Code.

1.5 The Code is based on underlying principles of good governance, namely:

#### **Public Service**

You have a duty at all times to act in the interests of the Corporation and the public that it serves.

#### **Selflessness**

You have a duty to make decisions solely in terms of public interest. You must not act in order to gain financial or other material benefit for yourself, family or friends.

**Integrity**

You must not place yourself under any financial or other obligation to any individual or organisation that might reasonably be thought to influence you in the performance of your duties.

**Objectivity**

You must make decisions solely based on merit when carrying out the business of the Corporation.

**Accountability and Stewardship**

You are accountable for your decisions and actions to the public. You have a duty to consider issues on their merits, take account of the views of others and ensure that the Corporation uses its resources prudently and in accordance with the law.

**Transparency**

You have a duty to be as open as possible about your decisions and actions, giving reasons for your decisions and restricting information only when such restriction is in the wider public interest.

**Honesty**

You have a duty to act honestly. You must declare any private interests relating to your public duties and take steps to resolve any conflicts arising, in a way that protects the public interest.

**Leadership**

You have a duty to promote and support these principles by leadership and by example, to maintain and strengthen the public's trust and confidence in the integrity of the Corporation and its Members.

**Respect**

You have a duty to show respect to fellow Members and employees of the Corporation and the role they play, treating them with fairness, courtesy and dignity at all times, in accordance with employment, health and safety and human rights laws. Harassment, sexual harassment, discrimination and abusive conduct will not be tolerated. Members must also respect the applicable laws and policies and procedures of the Corporation at all times.

1.6 With these principles in mind, the Code provides clear ethical guidelines for Members and aims to set out how those principles should be interpreted and applied in practice. The Code serves to let the public know that the Corporation has high expectations of each elected Member in terms of professional standards and performance, thereby instilling public confidence in the Corporation.

1.7 Because the Code cannot answer all questions raised in the conduct of the Corporation's business, Members must take responsibility for recognizing and responding appropriately to specific situations as they arise. Every Member has the responsibility to ask questions, seek guidance, and report suspected violations regarding this Code. If you are uncertain about how the provisions of the Code apply to a particular situation, you should seek advice from the appropriate Committee that is charged with issues concerning

the Code.

## **SECTION 2: DEFINITIONS**

2.1 For the purposes of this Code:

(i) references to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application is modified by other provisions from time to time and shall include references to any provisions of which they are re-enactments (whether with or without modification); and

(ii) references to sections and clauses are references to sections and clauses hereof; and

(iii) references to the singular shall include the plural and vice versa and references to the masculine shall include the feminine and/or neuter and vice versa.

### **Terms**

2.2. For the purposes of this Code:

**"Chief Operating Officer"** refers to the Chief Operating Officer and Secretary ("COO") of the Corporation

**"Code"** shall mean this Code of Ethics and Conduct of The Corporation of Hamilton

**"Cohabitee"** includes a person, whether of the opposite sex or not, who is living with you in a relationship similar to that of husband and wife

**"Common Council"** comprises the Common Councillors of the Corporation

**"Corporation"** means The Corporation of Hamilton, the body corporate as described in the Municipalities Act 1923 comprising the Mayor, Aldermen and Common Council

**"Finance Committee"** refers to the committee of the Corporation comprised of such persons as are appointed by the Council from time to time together with the Chief Operating Officer and Treasurer

**"Member"** includes the Mayor, Aldermen<sup>1</sup> and the Common Councillors of the Corporation, all of whom are elected under the Municipalities Act 1923 and to whom the Code applies

**"Minister"** refers to the Minister responsible for the Municipalities

**"Person"** includes an individual, corporation, partnership, company or group of companies, joint venture, an association or other body of persons, whether incorporated or unincorporated, a joint-stock company, a trust (charitable or non-charitable), a trade union, charity, voluntary organization or other form of business entity

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<sup>1</sup> which includes the Deputy Mayor/Senior Alderman as appointed under the Deputy Mayor Act 1935

**"Remuneration"** includes any salary, wage, share of profits, fee, allowance, expense, other monetary benefit or benefit in kind. This would include, for example, the provision of a Corporation car or payment of travelling expenses.

**"Spouse"** means a husband or wife

**"Treasurer"** refers to the principal accounting officer of the Corporation

**"Undertaking"** means the same as a Person other than an individual

"Parent Undertaking" is an Undertaking in relation to another Undertaking (the "Subsidiary Undertaking") if:

a) it owns or controls, directly or indirectly, whether by ownership of shares or by agreement or otherwise, more than 50% of the total voting rights in the Undertaking or more than 50% of the partnership, membership or other similar equity ownership interest in the Undertaking; or

b) it has the right to appoint or remove a majority of its governing board or controlling body; or

c) it has the right to exercise a dominant influence over the Undertaking (i) by virtue of provisions contained in the Undertaking's Memorandum or Articles or other governing document or (ii) by virtue of a contract.

"Related Undertaking" means, in relation to an Undertaking, a Parent Undertaking or Subsidiary Undertaking, or is under common control with said Undertaking, i.e., they are both owned or controlled by the same Parent Undertaking.

## **SECTION 3: CONDUCT**

### **3.1 Appointment to Partner Organisations**

3.1.1 Members may be appointed or nominated by the Corporation, as a member, director or officer of another Undertaking. If so, you are bound by the rules of conduct of such other Undertaking and should observe the rules of this Code in carrying out the duties of that body.

3.1.2 Members who become members, directors or officers of companies as nominees or appointees of the Corporation will assume personal responsibilities under the Companies Act 1981. It is possible that conflicts of interest will arise for such Members between the Corporation and the company. It is your responsibility to take advice on your dual responsibilities which will involve questions of declaration and registration of interests.

### **3.2 Outside Activities**

3.2.1 As part of their duties that Members owe to the Corporation, they must not act in a manner that would prejudice the Corporation's business. This includes refraining from the planning or organisation of any activity which might be competitive with any part of the

business of the Corporation or harmful to the Corporation's business (see Section 4 Registration and Declaration of Members' Interests).

### **3.3 Duty of Confidentiality**

3.3.1 Members will have access to proprietary, confidential, attorney-privileged and personal information (together "confidential information") concerning the Corporation, its business and third party vendors, suppliers, and other persons and entities.

3.3.2 The term "confidential information" includes but is not limited to all data, analyses, reports, interpretations, details, forecasts, business, finances, accounts, dealings, transactions, affairs, products, names, performance statistics, documents, hardware, software, policies, procedures, methodologies, trade secrets, intellectual property, systems, technical information, financial information, business transactions, business plans, prospects or opportunities and any other non-public information concerning the Corporation or its affiliates and third parties with whom it deals.

3.3.3 The consequences to the Corporation can be severe where there is unauthorized disclosure of confidential information. Members are therefore required to keep such information confidential during their appointment and thereafter, and must not use, disclose, or communicate that confidential information other than in the course of performing their regular duties or when required by law.

3.3.4 Members shall take appropriate precautions to ensure that confidential information is not communicated within the Corporation except to personnel who have a need to know such information in order to perform their responsibilities for the Corporation.

3.3.5 Confidential information is also prohibited from being used for personal or financial gain or from being shared with others for their personal benefit or from being used in such a way so as to bring the Corporation into disrepute.

3.3.6 Confidential Information does not include any portion of such information that:

- is or becomes generally available to the public or is generally known in the industry in which the Corporation operates; or
- is required to be disclosed under any applicable laws, regulations or directives of any government agency, tribunal or authority having jurisdiction in the matter or under subpoena or other process of law.

3.3.7 Members should keep confidential information in a secure compartment or receptacle on a daily basis at the close of each business day. All documents and correspondence that are to be discarded must be shredded or otherwise suitably destroyed. All electronic or computer files containing such information must be password secured and firewall protected from access by unauthorized persons.

3.3.8 Any conversations involving confidential information must be conducted in private, and care must be taken to avoid any unauthorized persons overhearing or intercepting such conversations.

3.3.9 The theft or knowing receipt of stolen proprietary information is a crime. Should a Member be offered or discover another Person's proprietary information, or become aware of the existence of misappropriated information, they should immediately contact the Mayor, or if absent or not available, the Deputy Mayor/Senior Alderman.

3.3.10 All information whether confidential or not must be shared with all Members of the Council without restriction or condition in a timely fashion. Failure to do so by any Member constitutes a breach of this Code.

3.3.11 A Member shall make a protected disclosure if, in good faith, he notifies the Minister responsible for the Municipalities that he has reasonable grounds to believe:

- that another Member or Members has committed, is committing, or is about to commit, a criminal offence, breach of any statutory obligation or other breach of the Code related to the Corporation's business;
- that he himself has been directed, either by the Mayor or by one of the other Members, to commit such a criminal offence, breach of any statutory obligation or other breach of the Code related to the Corporation's business; or
- that information tending to show any matter falling within the above has been, is being, or is likely to be, altered, erased, destroyed or concealed by any person.

3.3.12 Any provision of the Code or other agreement relating to the terms of conduct of a Member, shall be void insofar as it purports to preclude a Member from making a protected disclosure.

### **3.4 Conflicts of Interest, Fair Dealing & Personal Profits**

3.4.1 Members must act in good faith and in the best interests of the Corporation, never "self-dealing" or taking personal advantage of opportunities to advance their own personal interests when advancing the legitimate interests of the Corporation.

3.4.2 You must deal honestly, ethically and fairly with any person or entity doing business or seeking to do business with the Corporation and in respect of all aspects of the Corporation business. You must also avoid any conduct that could reasonably be determined to be harmful to the Corporation's reputation.

3.4.3. No Member should take unfair advantage of anyone through manipulation, concealment, abuse of position or privileged information, misrepresentation of material facts, or any other unfair dealing practice. In addition, where Members are also professionals, they are obligated to perform their duties in full compliance with the codes of conduct that is applicable to their profession.

3.4.4 Members must not put themselves in a position where there is an actual or potential conflict between their interests and the interests of the Corporation. A conflict of interest exists if actions by a Member are, or could reasonably appear to be, influenced directly or indirectly by personal considerations, duties owed to persons or entities other than the Corporation, or by actual or potential personal benefit or gain, thereby potentially interfering with the duties owed to the Corporation.

3.4.5 Members must immediately report any actual or potential conflict of interest (including any material transaction or relationship that reasonably could be expected to give rise to such conflict) to the Mayor or, if absent or not available, the Deputy Mayor/Senior Alderman or to the whole Board in a Restricted Session if the conflict involves the Mayor, Deputy Mayor or Senior Alderman.

3.4.6 A Member must not make a personal profit from any opportunities of which he becomes aware or which are available to him as a result of his being a Member, even if he is acting honestly and for the good of the Corporation. This applies equally to contracts with the Corporation and with third parties. Any profit arising in such circumstances must be accounted for, i.e., paid over to the Corporation. The Member will be liable to account for the profit irrespective of the Corporation not being interested in, or not being able to take advantage of, the opportunity.

### **3.5 Gifts and Hospitality**

3.5.1 The Corporation prohibits its Members from accepting or offering inappropriate gifts, favours, entertainment, special accommodations, remuneration or other items of material value that could:

- (i) influence their decision-making or judgment;
- (ii) make them feel beholden to a person or entity;
- (iii) give rise to a reasonable suspicion of influence to show favour, or disadvantage, to any Person; or
- (iv) risk causing damage to public confidence in the Corporation.

3.5.2 Similarly, Members should not offer or accept gifts, favours, entertainment or other things of value that could be viewed as generous or aimed at influencing decision-making or making a third party feel beholden to the Corporation or the Member.

3.5.3 Without prejudice to the generality of the foregoing provisions:

- (i) You should never canvass or solicit gifts or hospitality or the like;
- (ii) Any gifts received or offered in excess of \$250 in value must be reported to the Members in a meeting of the Council and recorded in the minutes;
- (iii) You must not accept repeated hospitality from the same source;
- (iv) Any form of a loan by a Member on behalf of the Corporation to a third party or from a third party to a Member on behalf of the Corporation must receive prior written approval of the Council by resolution following a full Members' meeting;
- (v) If you are making a visit to inspect equipment, vehicles, land or property, then as a general rule you should ensure that the Corporation pays for the costs of these visits.

3.5.4 You should also consider whether there may be any reasonable perception that any gift received by your spouse, cohabitee, friend or relative, or by any Person in which you have an interest, can or would potentially influence your judgment.

3.5.5 The term "gift" includes benefits such as relief from indebtedness, loan concessions, or provision of services at a cost below that generally charged to members of the public.

### **3.6 Use and Protection of Corporation's Property**

3.6.1 Members must seek to protect the Corporation's property and assets and ensure their efficient use. Corporation property includes not only physical facilities and assets, but also information and intellectual property. Theft, misuse, carelessness and waste have a direct impact on the Corporation's reputation and profitability. All of the Corporation's property and assets should be used only for legitimate business purposes and must not be borrowed, loaned or disposed of, except in accordance with Corporation policy.

3.6.2 Members must not misapply Corporation property. They will be liable if they knew (or ought, as a reasonably competent and diligent Member, to have known) that the Corporation's property was being misapplied.

3.6.3 Members also must not misuse facilities, tools, materials, equipment, stationery, telephone, computer and related services, or use them for political or campaigning activities.

3.6.4 All transactions on behalf of the Corporation and all uses of the Corporation's funds, facilities or other property and assets must be solely for business purposes of the Corporation, pursuant to due authorization, and properly documented.

### **3.7 Relationship with Officers and employees of the Corporation**

3.7.1 The Corporation is empowered under the Municipalities Act 1923 to employ, commission or appoint officers and employees for putting into force and executing any power or duty conferred on the Corporation or for administering or executing any Ordinance made by the Corporation under the said Act.

3.7.2 Members of the Corporation develop and set policies and make decisions which are implemented by officers and employees of the Corporation under the direction of the COO. The COO has responsibility for the day to day administration of City affairs in accordance with decisions adopted by the Members and directions given by the Minister. Under his direction, the staff serves the Members as a whole, and the combined interests of all Members, as evidenced through their decisions. Staff members are charged with providing advice based on political neutrality and objectivity and without undue influence from any Member. Members shall not direct staff in the course of their duties but shall make any requests to the COO.

3.7.3 Members shall be respectful of the role of staff to provide advice based on political neutrality and objectivity and without undue influence from any individual Member or faction of Members. Further Members should not ask staff to change their professional



advice or to take action (or not take action) when a staff members considers such to be unlawful. Members must treat all officers and staff employed by the Corporation with courtesy, fairness and respect and in accordance with employment, health and safety and human rights laws. Harassment, sexual harassment, discrimination and abusive conduct on the part of Members will not be tolerated.

### **3.8 Documentary Records & Accounting Procedures**

3.8.1 The Corporation requires candour, honesty and cooperation from Members in the performance of their responsibilities and in communication with the Corporation's attorneys, auditors and consultants. All oral and written statements must be professional, accurate, balanced, and not misleading in any way, and must carefully avoid disclosure of confidential or potentially prejudicial information.

3.8.2 Members must not, and must not direct or facilitate others to, take any action to fraudulently or improperly influence, coerce, manipulate or mislead any certified public accountant engaged in the audit or review of the Corporation's financial statements for the purpose of rendering those financial statements materially misleading, nor may Members take any such action at the direction of any Member.

3.8.3 Examples of actions that can render financial statements materially misleading include but are not limited to:

- issuance of a report on the Corporation's financial statements that is not warranted in the circumstances due to material violations of generally accepted accounting principles, generally accepted auditing standards, or other standards;
- non-performance of audit, review or other procedures required by generally accepted auditing standards or other professional standards;
- failure to withdraw an issued report under appropriate circumstances;
- failure to communicate matters to the Corporation's auditors.

3.8.4 Business, tax, financial reporting and legal considerations require the orderly retention of Corporation records. Further, accuracy, reliability and timeliness in the preparation of all financial and business books, records and accounts is of critical importance to the Corporation's decision making process and to the proper discharge of the Corporation's reporting obligations. Audited accounts must be forwarded to the Minister prior to June 30<sup>th</sup> of each year as mandated by the Municipalities Act 1923.

3.8.5 All business records, expense accounts, vouchers, bills, payrolls, service records, reports to government agencies and other reports must be prepared with care and honesty, must be full, fair, accurate and understandable, and must reflect the true nature of the transactions that they record. All corporate funds and assets must be recorded in accordance with the Corporation procedures. No undisclosed or unrecorded funds or assets shall be established for any purpose.

3.8.7 It is the responsibility of the Members to ensure that the Corporation maintains:

- adequate controls over its assets and financial reporting including compliance with the Financial Instructions as issued by the Minister of Finance; and

- adequate controls and procedures to provide full, fair, accurate, timely and understandable disclosure in reports and documents filed with, or submitted to, regulatory authorities and in other public communications.

3.8.8 Any Member shall promptly bring to the attention of the Finance Committee any information he may have concerning:

- deficiencies in the design or operation of internal controls that could adversely affect the Corporation's ability to record, process, summarize and report financial data; and
- anything that otherwise affects the disclosures made by the Corporation in its regulatory filings and other public communications.

3.8.9 Acts of fraud are of the utmost seriousness and are strictly forbidden. They include, for example, submitting false expense reports, forging or altering cheques, misappropriating assets or property, unauthorized handling or reporting of insurance claims, making false statements, making inaccurate entries on Corporation records or financial statements, etc. Such violations can lead to severe civil or criminal penalties. Members shall immediately report questionable acts of fraud to the law enforcement authorities for investigation.

3.8.10 Where the Corporation permits petty cash funds to exist, such funds must be administered pursuant to the Corporation's system of internal controls. Except for petty cash approved by the relevant officer, no cash funds may be maintained. Electronic transfers of funds are not considered cash transactions but must be conducted in accordance with Corporation policy.

### **3.9 Commercial Bribery**

Commercial bribery is strictly prohibited and includes any payment, direct or indirect, to any Member, employee or representative of a customer, vendor or supplier of the Corporation made for the purpose of influencing or affecting such person's business judgment or action.

### **3.10 Political Bribery & Political Connections**

3.10.1 The Corporation has many contacts and dealings with other governmental bodies and officials. Members who come into contact in the course of their appointment with government officials, political parties, party officials, candidates for political office and officials of public international organisations must maintain the highest professional standards and all contacts and transactions shall be conducted in an honest, impartial and ethical manner.

3.10.2 Offering anything of value to any of the foregoing persons or related parties in an attempt to influence the decision-making process of governmental bodies or officials or obtain a particular benefit or result for the Corporation or a Member is strictly prohibited.

3.10.3 Any requests or demands by any governmental representative for any benefit should be immediately reported to the Members.

3.10.4 Further no Member at the Corporation's expense may make any agreement to contribute any money, property or services of any Member or employee to any political candidate, party, organisation, Committee or individual. As private citizens, Members are entitled to participate in and contribute to political organisations or campaigns, but they must do so as individuals, not as representatives of the Corporation, and they must use their own funds, without reimbursement.

3.10.5 Where its experience may be helpful, the Corporation may, to the extent it is in compliance with all laws and regulations and its ethical obligations, publicly offer recommendations concerning legislation or regulations being considered, or analyse and take public positions on issues that have a relationship to the operations of the Corporation, when the Corporation's experience contributes to the understanding of such issues.

### **3.11 Information Technology Systems**

3.11.1 The Corporation provides to its personnel "the Corporation Systems" which is the property of the Corporation and includes all aspects of voice, video, data and IT/electronic/internet/computer communication systems, servers, networks and devices provided or maintained or made available by the Corporation.

3.11.2 All documents, data, software, tapes, taped messages, voicemail, email, instant messages, texts, etc., generated or received or stored in the Corporation's Systems are the property of the Corporation. Members are expected to use the Corporation Systems for business purposes only, to exercise the utmost diligence when using the Corporation Systems and in particular to maintain the confidentiality of all data, documentation and information which they view, access, create, transmit, copy or move via the Corporation Systems.

3.11.3 Members are also expected to act honestly, appropriately, responsibly and ethically at all times in relation to their access and use of the Corporation's Systems the information contained therein.

### **3.12 Marketing Communications**

3.12.1 It is the Corporation's policy that best efforts will be made to ensure that communications with the public or third parties contain no untrue statements or are otherwise false or misleading. Members must comply with applicable laws and regulations regarding the form and content of these communications.

3.12.2 The Mayor and the COO must be notified of, and approve, all press releases or public communications relating to the Corporation before they are issued.

3.12.3 Members should direct all general media and press enquiries, including requests for information, interviews or editorial contributions to the Mayor or COO. All inquiries from regulatory authorities or government representatives should also be referred to the Mayor.

### **3.13 Active Management of the Corporation**

3.13.1 The Members carry the responsibility of overseeing the management of the Corporation. Members must attend diligently to the affairs of the Corporation. This means that they have a duty to keep reasonably well informed about the business of the Corporation, be familiar with the financial health of the Corporation and understand and be current about the Corporation's main business activities. This responsibility includes:

- Reviewing, understanding and approving the fundamental operating, financial, endowment, encourage corporate support and other corporate plans, strategies, objectives and their attendant results;
- Understanding and remaining informed about the risks and problems that affect the Corporation's operations and prospects;
- Evaluating the performance of the Corporation and its senior staff members and advising the COO of any concerns or lack of performance so that the COO may take appropriate action. In the case of the COO, the Members shall take appropriate action, when warranted;
- Ensuring that the Corporation resources are used only for appropriate purposes;
- Establishing an environment that promotes timely and effective reporting and disclosure when necessary or appropriate;
- Adopting and overseeing the implementation of governance policies and developing a corporate governance structure that allows and encourages the Members to fulfil their responsibilities;
- Formally and rigorously evaluating the overall effectiveness of the Members on at least an annual basis; and
- Evaluating any Corporation staff compensation structure on a regular basis.

### **3.14 Anti-Money Laundering and Anti-Terrorism Measures**

3.14.1 The Corporation is committed to complying fully with all anti money-laundering and anti-terrorism laws. With respect to money laundering, Members are strictly forbidden from committing or enabling actions that allow a Person to conceal the origin of the proceeds of crime (eg. cash) so that it appears to have originated from a legitimate source.

3.14.2 Members are also strictly forbidden from committing or enabling offences including:

- Concealing or Transferring Proceeds of Criminal Conduct
- Assisting Another to Retain Proceeds of Criminal Conduct
- Acquiring, Possessing or Using the Proceeds of Criminal Conduct

- Failing to Report – where there is knowledge or suspicion that another person is engaged in money laundering, which relates to any proceeds of criminal conduct, as soon as is reasonably practicable after the information came to the Member’s attention in the course of his trade, profession, business or employment.
- Tipping Off - disclosing information likely to prejudice an investigation where the Member knows or suspects a report has been made to the relevant authorities and there is or may be an investigation being conducted into money laundering.

3.14.3 With respect to terrorist financing, Members are strictly forbidden from committing or enabling actions that directly or indirectly support terrorism or Persons who encourage, plan or engage in terrorism, through the provision of financial or other material assistance to such Persons. Terrorist financing may involve funds raised from legitimate sources, such as personal donations and profits from businesses and charitable organisations or it may involve funds from criminal sources, such as the drug trade, the smuggling of weapons and other goods, fraud, kidnapping and extortion.

3.14.4 Members are also strictly forbidden from committing or enabling related offences including:

- Fundraising or being concerned in funding arrangements for the purpose of terrorism
- Use of money for the purposes of terrorism
- Failing to Report - where the Member has knowledge or suspicion that another person has committed an offence involving arrangements for facilitating or raising or using funds for terrorism purposes, the Member shall report the knowledge or suspicion to the appropriate authorities, as soon as is reasonably practicable after the information came to the Member’s attention in the course of their trade, profession, business or employment.
- Tipping Off – disclosing information likely to prejudice an investigation where the person knows or suspects a report has been made to the relevant authorities and there is or may be an investigation being conducted into terrorist financing.

3.14.6 Members should be aware of instances where there does not appear to be a genuine business purpose for the transaction which may put them on alert (eg. transactions outside the norm perhaps involving payment of large sums in cash, transactions placed and then cancelled quickly, or overpayments made, with a request that the refund be sent to a third party or to a different account, transactions with “red flag” jurisdictions, etc.). Members should take steps to detect suspicious circumstances or “red flags” and, if suspicious circumstances exist, ensure that they are properly investigated.

### **3.15 Corporation of Hamilton Elected Members’ Substance Abuse Policy**

Members hereby agree to comply with the provisions of the Corporation’s Elected Members’ Substance Abuse Policy in all respects, and understand that they are subject to sanction for violation of such Policy in accordance with its provisions as read with Section

6 of this Code.

## **SECTION 4: REGISTRATION AND DECLARATION OF MEMBERS' INTERESTS**

4.1 This Section sets out the kinds of interests, financial and otherwise, which Members must register by filling out and submitting the Register of Elected Members' Interests Registration Form (the "Form"). These are called "Registerable Interests". Members must, at all times, ensure that these interests are registered, when you are appointed and whenever your circumstances change in such a way as to require change or addition to your entry in the Register. The purpose of the Form is to provide the Corporation with information that will enable the Members to make informed decisions when potential conflicts arise.

4.2 The key principles of the Code, especially those in relation to integrity, honesty and openness, are also given further practical effect by the requirement for Members to declare certain interests in discussions, meetings or proceedings of the Corporation. Together with the rules on Registration of Interests, this ensures transparency of your interests which might influence, or be thought to influence your responsibilities, actions, speeches, votes or decision-making as a Member.

4.3 Public bodies inevitably have dealings with a wide variety of organisations and individuals and this Code indicates the circumstances in which a personal or business interest must be declared. Public confidence in the Corporation depends on it being clearly understood that decisions are taken in the public interest and not for any other reason.

4.4 Interests which require to be declared are financial or non-financial in nature.

4.5 You may serve on other public bodies as a result of nomination or appointment by the Corporation or otherwise. You must always remember that the public interest points towards transparency, particularly where there is a possible divergence of interest between different public bodies.

4.6 You will also have other personal and business interests and may serve, or be associated with other Persons as a result of your own interests and not because of your role as a Member of the Corporation.

### **Interests of Other Persons**

4.7 The Code requires only your own interests to be registered. You may, however, have to consider whether you should declare a known interest possessed by your spouse or cohabitee, whether financial or non-financial. You must ask yourself whether a member of the public, acting reasonably, would regard their interests as effectively the same as your own interests in the sense of potentially affecting your responsibilities, actions, speeches, votes or decision-making as a Member of the Corporation.

4.8 The interests known to you, both financial and non-financial, of relatives and close friends may also have to be declared. The Code does not attempt to define what is meant by "relative" or "friend". The key principle is the need for transparency in regard to any interest which might (regardless of the precise nature of the relationship) be regarded by a member of the public, acting reasonably, as potentially affecting your responsibilities,

actions, speeches, votes or decision-making as a Member of the Corporation.

### **Timing and Content of Declaration**

4.9 You must consider at the earliest stage possible whether you have an interest to declare in relation to any matter which is to be considered. You should consider whether agendas for meetings raise any issue of declaration of interest. Your declaration must be made as soon as practicable during the relevant discussion (whether verbal or written), meeting or proceeding where that interest arises. If you do identify the need for a declaration of interest only when a particular matter is already in the process of being discussed, you must declare the interest as soon as you realise it is necessary.

4.10 The oral statement of declaration of interest should identify the item or items of business to which it relates. The statement should begin with the words "I declare an interest". The statement must be sufficiently informative to enable those at the meeting to understand the nature of your interest but you need not give a detailed description of the interest.

### **Effect of Declaration**

4.11 Declaring an interest has the effect of prohibiting any participation in discussion and voting.

### **Registration**

4.12 The categories of interests which you must register are listed below with explanatory notes designed to help you decide what is required when registering your interests under any particular category. The categories should be reviewed in conjunction with the Definitions provided in Section 2.

#### **4.13 Category One: Employment or Other Positions Held**

4.13.1 You have a Registerable Interest regardless of whether you receive remuneration by virtue of

- being employed in an Undertaking and/or Related Undertaking;
- being self-employed;
- being the director or officer of an Undertaking and/or Related Undertaking;
- being a member of an Undertaking and/or Related Undertaking, i.e. a subscriber to the Memorandum of the Undertaking or shareholder;
- being a partner in a firm; or
- undertaking a trade, profession or vocation or any other work.

4.13.2 If you receive remuneration and in what capacity must be registered; however the amount of remuneration received does not have to be registered.

4.13.3 When registering employment, you must give the name of the employer, the nature of its business, and the nature of the position held in the organisation.

4.13.4 When registering self-employment, you must give the name of the business and give details of the nature of the business.

4.13.5 When registering as the director or officer of an Undertaking and/or Related Undertaking you must give the name of the entity, the nature of its business, and your position held.

4.13.6 When registering an interest in a partnership, you must give the name of the partnership and the nature of its business.

4.13.7 When registering as being a member in an Undertaking and/or Related Undertaking it is necessary to provide the registered name of the Undertaking and/or Related Undertaking in which the membership is held and the nature of its business.

4.13.8 Where you undertake a trade, profession or vocation, or any other work, you must register the name and nature of the business and its regularity. For example, if you write for a newspaper, you must give the name of the publication, state that you are a writer for the paper and state the frequency of articles.

4.13.9 Registration of a pension is not required as this falls outside the scope of the category.

#### **4.14 Category Two: Contracts**

4.14.1 You have a registerable interest where you, or an Undertaking and/or Related Undertaking in which you hold a position, or in which you have an interest in shares or securities made a contract with the Corporation under which goods or services are to be provided, or works are to be executed, and such contract has not been fully discharged.

4.14.2 You must register a description of the contract including its name, date, the names of the parties, what goods, services or works are to be provided and the contract's duration, but you need not disclose the consideration payable.

#### **4.15 Category Three: Houses, Land and Buildings**

4.15.1 You have a registerable interest where you own or have any other right or interest (whether legal or beneficial) in houses, land or buildings, which may be significant to, of relevance to, or bear upon, the work and operation of the Corporation. You must register the nature of the interest held and describe the property in which the interest is held including its location, but you need not register the value of the interest held.

#### **4.16 Category Four: Shares and Securities**

4.16.1 You have a registerable interest where you have an interest in shares or securities which constitutes a holding in an Undertaking which may be of relevance to, or bear upon, the work and operation of the Corporation.



4.16.2 You are required to register the nature of your interest and the Undertaking in which you have such interest but you are not required to register the value of such interest.

4.16.3 Declarable interests include an interest of yours which becomes of direct relevance to a matter concerning an Undertaking on which you serve. You are required to declare the name of the Undertaking only, not the size or nature of the holding.

## **SECTION 5: Lobbying and Access to Members of Public Bodies**

5.1 In order for the Corporation to fulfil its commitment to being open and accessible, it needs to encourage participation by Persons in the decision-making process. Clearly however, the desire to involve the public and other interest groups in the decision-making process must take account of the need to ensure transparency and probity in the way in which the Corporation conducts its business.

5.2 You will need to be able to consider evidence and arguments advanced by a wide range of Persons in order to perform your duties effectively. Some of these Persons will make their views known directly to individual Members. This Code sets out how you should conduct yourself in your contacts with those who would seek to influence you. The Code is designed to encourage proper interaction between Members, the constituents they represent and interest groups.

5.3 You must not, in relation to contact with any Person who lobbies, do anything which contravenes this Code or any other relevant rule of the Corporation or which could bring discredit upon the Corporation.

5.4 The public must be assured that no Person will gain better access to, or treatment by, you as a result of employing a Person to lobby on a fee basis on their behalf. You must not, therefore, offer or accord any preferential access or treatment to those lobbying on a fee basis on behalf of clients as compared with that which you accord any other Person who lobbies or approaches you. Nor should those lobbying on a fee basis on behalf of clients be given to understand that preferential access or treatment, compared to that accorded to any other Person, might be forthcoming from any other Member.

5.5 Before taking any action as a result of being lobbied, you should seek to satisfy yourself about the identity of the Person who is lobbying and their motive for lobbying. It is important that you know the basis on which you are being lobbied in order to ensure that any action taken in connection with the lobbyist complies with the standards set out in this Code, both in letter and spirit.

5.6 You should not accept any paid work:

(i) which would involve you lobbying on behalf of any Person or any clients of a Person that is related to Corporation business; or

(ii) to provide services as a strategist, adviser or consultant to the Corporation and/or its Members.

If you have concerns about the approach or methods used by any Person in their contacts with you, you must seek the guidance of the Members of the Corporation.

## **SECTION 6: Duty to Report and Accountability for Violations of the Code**

6.1 Members are responsible for detecting, preventing and reporting any activities inconsistent with the Code, or with legal and regulatory requirements, to the Committee charged with ensuring compliance with the Code.

6.2 Breaches of the Code will result in sanctions on the Member as specified below and in some instances may lead to personal civil liability. It is therefore extremely important that Members become familiar with, and comply with, the provisions of the Code to ensure adequate and proper compliance. Once legislation is passed, in order to enforce the Code, the Corporation will establish a Standards Committee to oversee the Code of Conduct and deal with any alleged breaches. Until that Standards Committee is established, the Members will deal with any breaches.

6.3 While it is the Corporation's desire to address matters internally, nothing in this Code should discourage any Member from reporting any illegal activity to the appropriate regulatory or law enforcement authority. Members are obliged to comply fully with the provisions of the Good Governance Act 2012 and will not discipline, discriminate against, terminate or withhold a benefit from, or retaliate against any person who reports such conduct in good faith or who cooperates in any investigation or inquiry regarding such conduct.

6.4 If the Members, by a majority vote of Members not involved in an alleged violation, then present and voting, finds that it is proven that a Member has violated the Code, the Members may take such actions as are appropriate, including, without limitation:

(a) **Reprimand /Censure** - the Members may reprimand the Member but otherwise take no action against him.

(b) **Reporting** – The Members may report and refer certain violations on the part of Members to public authorities for investigation or prosecution.

The Members shall maintain written records of all reports of material violations of this Code and the resolution thereof.

**ACKNOWLEDGEMENT & RECEIPT FORM**

**CORPORATION OF HAMILTON ELECTED MEMBERS' CODE OF CONDUCT**

I have received, read, understood and acknowledge that I am subject to, and agree to abide by, the terms and provisions set forth in the Corporation of Hamilton's Elected Members' Code of Conduct ("the Code").

I understand that the Code outlines terms and conditions of my appointment as an Elected Member of the Corporation. I further solemnly affirm that I have made all declarations and registrations required by the Code and that they are true and accurate in all respects.

I further understand that it is my responsibility to read, understand and keep up to date with all of the information contained in the Code, as amended from time to time, and that I will be liable to sanction for failure to comply with the Code.

\_\_\_\_\_  
PRINT FULL NAME

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
PRINT TITLE

\_\_\_\_\_  
Date

\_\_\_\_\_  
Full Name of Witness (please print)

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
Date