



June

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# **GIFTS & HOSPITALITY POLICY**

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## 1 | INTRODUCTION

ALCO LLC (the "Company") is committed to conducting business with the highest standards of ethics, integrity, and transparency. This Gifts and Hospitality Policy outlines comprehensive guidelines and procedures for giving and receiving gifts, hospitality, or entertainment in a manner that upholds the Company's reputation, complies with applicable laws, and ensures ethical conduct in all business dealings.

## 2 | POLICY OBJECTIVES

2.1. The key objectives of this policy are:

2.1. To promote transparency, fairness, and ethical conduct in giving and receiving gifts, hospitality, or entertainment.

2.2. To prevent actual or perceived conflicts of interest that may arise from the exchange of gifts and hospitality.

2.3. To comply with all applicable anti-bribery and anti-corruption laws and regulations.

2.4. To foster a corporate culture that discourages lavish or extravagant gestures that could compromise the Company's business decisions.

## 3 | DEFINITIONS

3.1. For the purposes of this policy, the following terms shall have the meanings ascribed to them:

3.1.1. Gift: Anything of value, including but not limited to money, goods, services, discounts, and favors, provided to an individual, entity, or organization.

3.1.2. Hospitality: Providing meals, accommodations, tickets to events, travel expenses, or any other form of entertainment or social event for an individual or a group.

3.1.3. Covered Persons: All employees, officers, directors, agents, contractors, and representatives of ALCO LLC are considered Covered Persons under this policy.

## 4 | GENERAL GUIDELINES

4.1. Applicability: This policy applies to all Covered Persons, regardless of their position or level within the Company.

4.2. Business Purpose: Gifts, hospitality, or entertainment provided or received must be directly related to a legitimate business purpose and not given or accepted as an inducement for preferential treatment or business advantage.

4.3. Value Limits: All gifts, hospitality, or entertainment must be of moderate value and in line with customary business practices. Covered Persons shall avoid giving or receiving gifts or hospitality that could be perceived as extravagant.

4.4. Reciprocal Gifts: Gifts given or received should not create an obligation for the recipient to provide something in return.

4.5. Third Parties: Covered Persons must not use Company funds or resources to provide gifts, hospitality, or entertainment to third parties without proper authorization.

4.6. Public Officials: Special attention must be given when offering gifts, hospitality, or entertainment to government officials or employees of public organizations, as there may be additional legal requirements and restrictions.

4.7. Cultural Sensitivity: When dealing with individuals from different cultures, Covered Persons must be mindful of local customs and practices regarding gift-giving and hospitality.

4.8. Reporting: Covered Persons are encouraged to report any concerns or potential breaches of this policy through the Company's confidential reporting channels or directly to the Compliance Officer.

## **5 | GIVING GIFTS AND HOSPITALITY**

5.1. Approval Process: Any gifts or hospitality offered on behalf of ALCO LLC must be approved in advance by the employee's supervisor or department head, and for significant items, by the Compliance Officer.

5.2. Prohibited Gifts: Covered Persons must not offer gifts that may be considered inappropriate, offensive, or prohibited by law or the Company's policies.

5.3. Government Officials: Providing gifts or hospitality to government officials requires additional scrutiny and may require pre-approval from the Compliance Officer. Covered Persons must ensure compliance with all applicable laws and regulations governing interactions with public officials.

5.4. Recording: All gifts and hospitality provided on behalf of the Company must be recorded in a designated gifts and hospitality register. The register shall include details of the giver, recipient, value, date, and purpose of the gift or hospitality.

5.5. Sponsorships and Donations: The Company may sponsor events or make donations for charitable or community purposes. Sponsorships and donations shall be approved by the relevant department head and documented appropriately.

## **6 | RECEIVING GIFTS AND HOSPITALITY**

6.1. Approval Process: Before accepting any gifts or hospitality from third parties, Covered Persons must seek approval from their supervisor or department head, and for significant items, from the Compliance Officer.

6.2. Value Limits: Covered Persons shall be mindful of the value limits set by the Company when accepting gifts or hospitality. Gifts exceeding the value limits may need to be declined or reported for review.

6.3. Government Officials: When offered gifts or hospitality by government officials, Covered Persons must exercise caution and be aware of any legal or regulatory restrictions. Approval from the Compliance Officer may be required.

6.4. Declining Gifts: If a Covered Person is offered a gift or hospitality that exceeds the Company's value limits or could be perceived as an attempt to influence business decisions, they must politely decline and refer to the Company's policy.

## **7 | ENTERTAINMENT AND SOCIAL EVENTS**

7.1. Pre-Approval: Covered Persons organizing or attending entertainment or social events on behalf of ALCO LLC must obtain pre-approval from their supervisor or department head, and for significant events, from the Compliance Officer.

7.2. Reasonable Expenses: Entertainment events must be reasonable and directly related to a legitimate business purpose.

7.3. Public Officials: Extra care must be exercised when inviting government officials to entertainment or social events, ensuring compliance with applicable laws.

## **8 | POLICY BREACH**

8.1. Reporting Violations: All Covered Persons have an obligation to report any suspected or observed breaches of this Gifts and Hospitality Policy promptly. Reports should be made through the Company's confidential reporting channels or directly to the Compliance Officer.

8.2. Investigation: Upon receiving a report of a potential policy breach, the Compliance Officer or a designated individual shall initiate a thorough investigation. The investigation shall be conducted impartially, with confidentiality and protection for whistleblowers.

8.3. Consequences of Policy Breach: Violations of this policy may result in disciplinary action, which may include but is not limited to:

- a) Verbal or written warnings
- b) Suspension from work
- c) Termination of employment or business relationships
- d) Legal action, if applicable

8.4. Remedial Actions: In addition to disciplinary measures, the Company may implement appropriate remedial actions to address the consequences of a policy breach and mitigate any potential harm caused.

8.5. Non-Retaliation: ALCO LLC strictly prohibits retaliation against individuals who report policy breaches in good faith. Covered Persons who make reports in accordance with the Company's reporting procedures shall not face adverse employment actions as a result of their disclosure.

## **9 | TRAINING AND COMMUNICATION**

9.1. Training: All Covered Persons shall receive comprehensive training on this Gifts and Hospitality Policy during onboarding and regularly thereafter to ensure understanding and compliance.

9.2. Communication: The Company shall regularly communicate this policy to all employees and stakeholders to reinforce its importance.

## **10 | POLICY REVIEW**

10.1. Review Frequency: This Gifts and Hospitality Policy shall be reviewed annually and updated as needed to reflect changes in laws, regulations, and business practices.

10.2. Policy Effectiveness: The Company shall monitor the implementation and effectiveness of this policy to ensure its continued relevance and impact.

## **NOTES & INSTRUCTIONS**

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