



ROCKY MOUNTAIN REGION

NATIONAL MODEL RAILROAD ASSOCIATION

Rocky Mountain Region of the National Model Railroad Association Responsibility and Authority Code of Ethics Policy

Adopted 09/27/2014

The preservation of the highest standards and ethical principles is vital to the successful discharge of the responsibilities of all Officers, Directors, **Superintendents, and Committee Chairmen of the Rocky Mountain Region and its associated Divisions, NMRA, Inc. (hereinafter referred to as “the Region”)**

The purpose of this Code of Ethics is to provide guidance to the Officers, Directors, **Superintendents, and Chairmen** in the ethical performance of their duties in addition to any legal requirements. It is also to provide guidance as to the identification of potential conflicts of interest and for addressing such conflicts.

A. Ethical Conduct

1). Obedience is the acting within the grant of powers to the **Region and Division** and to the limitations imposed on those powers, whether by statute, case law, corporate charter or Regulations.

2). Diligence is the standard of care to be exercised by Officers, Directors, **Superintendents, and Chairmen**. The performance of these duties, including duties as a member of any committee, shall be in good faith and in a manner he or she reasonably believes to be in or not opposed to the best interest of the **Region or Division**. They must be performed with the care an ordinary prudent person in a like position would use under similar circumstances, **without bias, discrimination of any kind or coercion**.

3). Loyalty is the obligation imposed on the Officers, Directors, **Superintendents, and Chairmen**, that they shall not exploit opportunities or misuse inside information. **Any cash or financial transaction must benefit the members of the Region or Division and be performed honestly with the approval of the supervisory entity for the Officers, Directors, Department Manager or Committee Chair**. They must account to the **Region or Division** for any profits resulting from their fiduciary relationship to the **Region or Division**. He or she may not obtain a private or secret profit as a result of his or her official position; the **Region or Division** must have the benefit of any advantage the Officer, Director, **Superintendents, or Chair** may acquire.

4). **Harassment, discrimination and retaliation free conduct is the basis of behavior expected of all NMRA members toward all others.**

5). **Honesty is the expectation of all officials to not intentionally make any false statement, orally or in writing, in connection with the diligence of execution of duties.**

6). **Responsibility of protection of all NMRA owned and NMRA member proprietary information, to be used for NMRA business purposes only, and non-disclosure to non-NMRA related associates.**

7). **Representation of the organization shall be engaged to behaviors that will not call into question the organization's reputation of honesty and integrity.**

8). **Participation in activity that will not create a real or perceived conflict with the interests of the organization, unless reported to the Rocky Mountain Region under Conflict of Interest.**

9). **Obligation of members for the prompt reporting of violations of the foregoing codes by any NMRA member or non-member NMRA associate, to the governing body of the Rocky Mountain Region, NMRA.**

B. Conflict of Interest

1). All Officers, Directors, **Superintendents, and Chairmen** have a duty to be free from any conflicting interest when they represent the **Region or Division** in negotiations or make representations with respect to dealing with third parties.

2). They are expected to deal with all persons doing business with the **Region or Division** on a basis that is for the best interest of the **Region or Division** without favor or preference to third parties or personal considerations.

3). A conflict of interest arises when an Officer, Director, **Superintendent, or Chair** has such a substantial personal interest in a transaction that it might affect the judgment he or she exercises on behalf of the **Region or Division**.

4). He or she shall avoid sharp practices and shall faithfully follow the established policies of the **Region or Division**.

5). He or she shall not accept any gratuity, favor, benefit or gift, nor receive any commission or payment of any sort in connection with any work for the **Region or Division** other than the compensation agreed upon by the **Region or Division**. The acceptance of promotional travel, lodging, entertainment, or gifts of minimal financial value that are generally accepted as reasonable and customary in the related industry, incurred in the normal course of Region business, shall not be construed as a violation of this code.

6). He or she shall diligently avoid all appearances of impropriety and apparent conflicts of interest.

7). Nothing herein contained shall be construed as a prohibition to an Officer, Director, **Superintendent, or Chair** from contracting with or doing business with the Region. This is provided, however, that such transactions with the **Region or Division**

are done after a “full and fair” disclosure of all bids for like services or products. The **Region or Division** shall not be bound to accept outside bids based upon price alone, but shall also consider the comparative quality of the goods or services and take into consideration the matter of time in supplying such goods and services.

8). Except as provided above, he or she shall not use his or her position or knowledge gained therein in such a manner that a conflict arises between the **Region or Division** and such persons.

9). Without the prior, full and complete disclosure to the Board of Directors, he or she shall not obtain or maintain any material interest or affiliation which conflicts with, is likely to conflict with, or might reasonably be thought to conflict with the interests of the **Region or Division**.

10). Except as provided above, he or she shall refrain from receiving any compensation, gift or other favor, either for him or herself or anyone with whom he or she may be affiliated in any manner under an obligation which might reasonably be thought to place such person under an obligation which conflicts with, or is likely to conflict with his or her official duties with the **Region or Division**.

11). He or she shall refrain from exercising for his or her personal benefit an opportunity which might be exercised by or for the **Region/Division** unless the **Region/Division** has determined to forego or to decline such opportunity. He or she shall refrain from buying or selling either for his or her own account or for the account of others, any securities or property which he or she has reason to believe that the **Region/Division** is interested in or is considering buying or selling.

12). He or she shall refrain from transmitting to any person (except as may be necessary in the discharge of his or her responsibilities) any information obtained as a result of his or her position with the **Region/Division** or which might give an unfair advantage to the person receiving the information, until such time as such information has been placed in the public domain.

13). Any Officer, Director, **Superintendent, or Chair** considering the assumption of any interest or affiliation which might reasonably be thought to involve a conflict of interest with the **Region/Division** shall make all the facts known in writing to the President, **and/or** to the Directors, and be guided by the instructions or directions received from such persons.

14). If a situation arises which is not expressly addressed by the spirit and intent of these provisions, but which could be reasonably construed as creating a conflict of interest, the facts and circumstances should be fully disclosed and submitted in writing to the President, **and/or** to the Directors, before such Officer, Director, **Superintendent, or Chair** acts with respect thereto in any manner which might reasonably be construed as contrary to the spirit and intent of these ethics provisions.

15). Each Officer, Director, **Superintendent, or Chair** shall file a disclosure statement in duplicate with the **Rocky Mountain Region**, upon appointment or election

to office, and thereafter between the **Spring and Fall BOD meetings** of each year. The statement shall be on the most recent form approved by the Board of Directors. The **Rocky Mountain Region Board of Directors** shall prepare a list of persons whose Disclosure Report has not been received by the **Fall BOD meeting**. The **President or Secretary** shall forward a copy of that list in the agenda for the **Fall annual meeting**. The **Rocky Mountain Region** will keep one copy of each Disclosure Report **with other Region documents**, where it shall be open to inspection by **the Board of Directors**. Copies shall be provided to members upon approval of the Region's Executive Committee and Directors.

NATIONAL MODEL RAILROAD ASSOCIATION, INC.
Rocky Mountain Region and Associated Divisions
Disclosure Report

(Print or type information)

(To be provided in duplicate to the **Region Executive Committee by Fall BOD Meeting**)

Name
For Calendar Year _____

Region Office

It is the policy of the **Rocky Mountain Region and its Divisions, NMRA**, to require its Officers, Directors, **Superintendents and Chairs** to disclose certain information for evaluation of potential conflicts of interest. If the form does not provide adequate space for your responses, check —"Yes--see attached" and, on the attachment, include the paragraph number to which that information applies.

1. Have you read the Code of Ethics Policy of the **Region**, which accompanied this form, and do you agree to conduct yourself in accordance with its principles?

NO YES

2. Are you employed by, or have a contractual relationship with, NMRA or any of its Regions or Divisions, other than the offices listed above to which you were elected or appointed (Officer, Director, **Superintendent, or Chair**)? If so, describe it, including if you receive payment or other compensation (Region President, printer for Division newsletter, etc.).

NO YES -- see below YES -- see attached

3. In your role in the **Region** offices listed above, do you receive money, goods or services from an entity which has or seeks to have a business relationship with the **Region**, or which seeks to influence the decisions of the **Region** that may affect such entity? If so and the value of such exceeds \$100.00 for the year, list each entity and the type of payment (salary, complimentary lodging, sample models, etc.).

NO YES -- see below YES -- see attached

4. Do you have a financial interest in an entity engaged directly or indirectly in model railroading, or receive payment in money, goods or services from such an entity? If so, list each entity and the type of interest or reason for payment (hobby shop owner, paid author for magazine articles, etc.).

NO YES -- see below YES -- see attached

5. Are you aware of any other material interest or affiliation, which conflicts with, or is likely to conflict with, or might reasonably be thought to conflict with, your official duties or responsibilities with the **Region**?

NO YES -- see below YES -- see attached

6. Do any of the above apply to the following family members -- spouse, children, siblings, parents, aunts, uncles? If so, list their names and relationship to you, and which question applies to such person.

NO YES -- see below YES -- see attached

Do you agree that as long as you are an Officer, Director, **Superintendent, or Chair**, that you will promptly disclose in writing to the **Region Executive Committee** any fact or situation that may arise in the future which necessitates a different answer or response to the above questions?

NO YES

I certify that by signing this report that I have answered the above questions to the best of my knowledge and belief.

Printed Name

Signature

Date

Rocky Mountain Region of the National Model Railroad Association
Misconduct Reporting Procedure

Code of Ethics Policy/Conflict of Interest

The purpose of this Misconduct Reporting Procedure is to provide guidance to all members of the Rocky Mountain Region, in the disposition of reporting matters of alleged unethical conduct or conflict of interest of Officers, Directors, Superintendents, Chairmen, in the performance of their duties in addition to any legal requirements. In addition, this procedure is also to provide guidance of reporting matters of alleged unethical conduct or behavior of members.

All reports of alleged misconduct are to be treated in confidentiality by all parties reporting possible violations, those reviewing the alleged violations, and those participating in any investigations.

Reporting Possible Violations of Unethical Conduct
(Reporting member to fill out)

Code of Ethics Section _____

Conflict of Interest Section _____

Alleged Violator : _____

Reporting Member: _____

Date of Alleged Misconduct: _____

Description of Alleged Misconduct (be specific and concise as possible):

Witnesses (Other members present during alleged misconduct):

(Member to provide this filled out form to the RMR President or RMR Vice President)

Rocky Mountain Region of the National Model Railroad Association
Misconduct Review Procedure
Code of Ethics Policy/Conflict of Interest

The President or Vice President receiving the complaint, shall head a committee with the aid of two additional Executive Board members or Directors, to form an investigative and collaborative team.

All information shall be kept confidential and not distributed outside the executive committee, until reporting to the Board of Directors in the case of further resolution.

The committee members will conduct interviews of all witnesses and also the alleged violator, of their observations of the event in question.

Committee members shall review the evidence and reach consensus if whether the alleged misconduct occurred and actually is in violation of ethical behavior or conflict of interest.

Any acts considered or of possible illegal nature shall be immediately reported to NMRA legal.

In the event that no misconduct is found, the case will be dismissed and all persons involved will be so informed. The accused shall also be warned regarding acts of possible retaliation, in Ethics Section 4.

In the event that misconduct is found, the case will be presented to the Executive Board and Directors for resolution. The committee may recommend punishment, in any combination but not limited to:

- a) Apology, in person, written and/or public
- b) Community service
- c) Return/donation of financial or other gains
- d) Disassociation with group or individual(s)
- e) Removal from Office
- f) Removal from Office and prohibition from holding office for xx amount of time
- g) Disassociation from Division or Region activities

The Executive Board and Directors shall review and vote on the recommended penalties in the event of unethical conduct or conflict of interest. The President or Vice President shall notify the Violator of the results, with penalties to be imposed commencing immediately.

The Violator shall be asked to comply with the penalties or face further possible penalties, and warned regarding acts of possible retaliation, in Ethics Section 4.

The President or Vice President shall then inform the rest of the Board of Directors.