



Conflict of Interest Policy

This **Conflict of Interest Policy** of The International Association of Credit Portfolio Managers, Inc. (the "Association"): (1) defines conflicts of interest; (2) identifies classes of individuals within the Association covered by this policy; (3) facilitates disclosure of information that may help identify conflicts of interest; (4) specifies procedures to be followed in managing conflicts of interest; and (5) prohibits certain transactions.

1. Definition of conflict of interest. A conflict of interest arises when a person in a position of authority over the Association may benefit financially from a decision he or she could make in that capacity, including indirect benefits such as to family members or businesses with which the person or a family member is closely associated, whether by reason of employment, an investment or otherwise. This policy is focused upon material financial interests of, or benefit to, such persons.

2. Individuals covered. This Policy applies to all directors, officers, key employees and staff members, regardless of whether they are compensated for their services. A "key employee" includes any person who is in a position to exercise substantial influence over the affairs of the Association.

3. Disclosure.

- A.** In connection with an actual or possible conflict of interest involving a person covered by this policy, such person must disclose, in writing, the existence of such conflict and related facts, including any relevant actual or potential ownership, compensation or investment interest of such person or a family member, to the Board of Directors or a committee thereof.
- B.** Each person covered by this policy shall annually sign a statement which affirms such person: (a) has received a copy of the conflict of interest policy; (b) has read and understands the policy; (c) has agreed to comply with the policy; and (d) understands that, in order to maintain its Federal tax exemption, the Association must engage primarily in activities which accomplish one or more of its tax exempt purposes.
- C.** Before initial election or appointment and annually thereafter, each director of the Association must also complete, sign and submit to the Secretary of the Association a written statement, identifying, to the best of the director's knowledge, any entity of which such director is an officer, director, trustee, member, owner, or employee and with which the

Association has a relationship, and any transaction in which the Association is a participant.

4. Procedures to manage conflicts.

- A. After disclosure of the conflicting interest and all material facts, and after any discussion between the interested person and Board of Directors or a committee thereof, the interested person shall leave the Board or committee meeting, if present, while the determination of the conflict of interest is discussed and voted upon.
- B. For each interest disclosed, the Board of Directors or a committee thereof will determine whether a conflict of interest exists and whether the transaction or arrangement giving rise to the conflict of interest is in the Association's best interest, for its own benefit, and whether it is fair and reasonable.
- C. If the conflict of interest is so great that it will preclude the interested person from carrying out his or her responsibilities to the Association, the Association may ask the interested person to resign from his or her position in the Association or, if the person refuses to resign, become subject to possible removal in accordance with the Association's removal procedures.
- D. The Board of Directors or a committee thereof shall document the existence and resolution of the conflict in the Association's records, including in the minutes of any meeting at which the conflict was discussed or voted upon.

5. Prohibited Transactions.

- A. The Association shall not enter into any related party transaction unless the transaction is determined by the board to be fair, reasonable, and in the Association's best interest at the time of such determination.
- B. A related party transaction is any transaction, agreement or other arrangement in which a related party has a financial interest and in which the Association or any affiliate is a participant. A related party includes any director, officer or key employee of the Association, any relative of such person, or any entity in which any such person or relative of such person has a 35% or greater ownership interest.
- C. Any director, officer, or key employee who has an interest in a related party transaction shall disclose in good faith to the Board of Directors or a committee thereof the material facts concerning such interest. Such person shall not participate in deliberations or voting relating to the transaction or make any attempt to influence improperly the deliberations or voting.
- D. The Board of Directors or a committee thereof shall document the existence and resolution of the related party transaction in the Association's records, including in the minutes of any meeting at which the transaction was discussed or voted upon.



Whistleblower Policy

The International Association of Credit Portfolio Managers, Inc. (the "Association") is committed to lawful and ethical behavior in all of its activities and requires staff and volunteers to act in accordance with all applicable laws, regulations and policies and to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. A copy of this Policy shall be distributed to all directors, officers, and employees, and to volunteers who provide substantial services to the Association. This **Whistleblower Policy** (1) encourages staff and volunteers to come forward with credible information on illegal practices or material violations of adopted policies of the Association; (2) specifies that the Association will protect the person from retaliation; and (3) identifies where such information can be reported.

1. Encouragement of reporting. The Association encourages complaints, reports or inquiries about illegal practices or material violations of the Association's policies, including illegal or improper conduct by the Association itself, by its leadership, or by others on its behalf. Appropriate subjects to raise under this policy include financial improprieties, accounting or audit matters, ethical violations, or other similar illegal or improper practices or policies. Other subjects on which the Association has existing complaint mechanisms should be addressed under those mechanisms, such as raising matters of alleged discrimination or harassment via the Association's human resources channels, unless those channels are themselves implicated in the wrongdoing. This policy is not intended to provide a means of appeal from outcomes in those other mechanisms.

2. Protection from retaliation. The Association prohibits retaliation by or on behalf of the Association against staff or volunteers for making good faith complaints, reports or inquiries under this policy or for participating in a review or investigation under this policy. This protection extends to those whose allegations are made in good faith but prove to be mistaken. The Association reserves the right to discipline persons who make bad faith, knowingly false, or vexatious complaints, reports or inquiries or who otherwise abuse this policy.

3. Where to report. Complaints, reports or inquiries may be made under this policy on a confidential or anonymous basis. They should describe in detail the specific facts demonstrating the bases for the complaints, reports or inquiries. Each complaint, report or inquiry under this policy should be directed to the Association's Executive Director or Chairman of the Board of Directors; if both of those persons are implicated in the complaint, report or inquiry, it should be directed to the

Association's Associate Director, or any other member of the Association's Executive Committee (Vice-chair, Treasurer or Secretary).

4. Handling of complaints, reports and inquiries. The Association will investigate all complaints, reports and inquiries filed in accordance with this policy with due care and promptness. Staff or volunteers must recognize that the Association may be unable to fully evaluate a vague or general complaint, report or inquiry that is made anonymously.