

MACOMB TOWNSHIP ACT 345 FIRE RETIREMENT SYSTEM

POLICY RESOLUTION

Adopted: December 11, 2013

Re: Ethics Policy

WHEREAS, the Macomb Township Act 345 Fire Retirement System (“Retirement System”) is administered in accordance with the provisions of Public Act 345 of 1937, as amended (“Act 345”), applicable collective bargaining agreements, and applicable state and federal laws, and

WHEREAS, the Board of Trustees of the Retirement System (“Board”) is vested with the general administration, management, and operation of the Retirement System, and has a fiduciary responsibility to make decisions solely in the interest of plan members and beneficiaries, and

WHEREAS, the Board recognizes that it is subject to the provisions of the Public Employee Retirement System Investment Act, Michigan Public Act 314 of 1965, as amended (“Act 314”) [MCL 38.1132 *et seq.*], wherein the Board is required to act as a prudent investor in all transactions related to Retirement System funds and assets by discharging its duties solely in the interests of the participants and beneficiaries, and shall act with the same care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims; and with due regard for the management, reputation, and stability of the issuer and the character of the particular investments being considered, and

WHEREAS, the Board recognizes that in order for the members and beneficiaries of the Retirement System to have the best representation by their elected and appointed Trustees, it is imperative for the representatives of the Retirement System to participate in Board business, including Board meetings, continuing education programs, and due diligence evaluations of current and potential investments, and

WHEREAS, due to the fiduciary responsibilities entrusted to the Board, all Retirement System representatives are encouraged to participate in Board business and maintain the highest standards of conduct and ethics above the minimum requirements of applicable law and policy, and

WHEREAS, the Board desires to state its policy with regard to Trustee conduct and ethics, therefore be it

RESOLVED, that each and every member of the Board shall diligently attend to the business of the Retirement System and shall not leave to other Board members control over the administration of the affairs of the Board and Retirement System, and further

RESOLVED, that Board members shall conduct official and private affairs so as to avoid giving rise to a reasonable conclusion that he or she can be improperly influenced in the performance of his or her public duty or that he or she is using his or her position on the Board to further his or her own financial interests, and further

RESOLVED, Board members shall not do any of the following:

- (a) accept or solicit any gift, favor, or service that may reasonably tend to influence a trustee in the discharge of official duties or that the trustee knows, or should know, is being offered with the intent to influence the trustee's official conduct;
- (b) accept other employment or compensation that could reasonably be expected to impair the trustee's independence of judgment in the performance of the trustee's official duties;
- (c) intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised the trustee's official powers or for having performed the trustee's official duties in favor of another;
- (d) transact any business in the trustee's official capacity with any entity or person in which the trustee has an economic interest;
- (e) appear before the Board of Trustees while acting as an advocate for himself or any other person, group, or entity;
- (f) represent any business entity before the Board of Trustees, for pay;
- (g) use his position as a trustee to secure a special privilege or exemption for himself or others, or to secure confidential information for any purpose other than official duties; and
- (h) intentionally or knowingly disclose any confidential information gained by reason of the trustee's position concerning the property, operations, policies or affairs of the Board of Trustees, or use such confidential information for pecuniary gain,

and it is further

RESOLVED, that Board members shall provide fair and equal treatment to all persons and matters coming before the Board, and it is further

RESOLVED, that Board members are expected to and may provide general information to Plan members, however, Board members shall also be aware of the risk of communicating inaccurate information to plan members (both active members and retirees), and the possible harm to a plan member that may result from any such miscommunications, and it is further

RESOLVED, that Board members shall mitigate the risk of miscommunication with plan members by refraining from providing specific detail, advice or counsel with respect to the rights or benefits to which a plan member may be entitled, and where explicit advice or counsel is needed, Board members will refer inquiries to the appropriate designee, and it is further

RESOLVED, that upon becoming aware of a violation of this Policy, Board member(s) shall have a duty to disclose said violation(s) in writing prior to the next regularly scheduled meeting of the Board, and it is further

RESOLVED, that violation of this Policy by any member of the Board may result in disciplinary action as determined by the remaining Board members, up to and including removal from the Board in accordance with applicable law, and it is further

RESOLVED, that the Board shall make this policy resolution available to all current and prospective service providers, as well as the appropriate Township, Union, and Departmental Representatives.