



CODE OF ETHICS

As at 17 September 2008

PREAMBLE

Of paramount concern in any Code of Ethics is the protection of the public interest. Most professional associations therefore seek to establish controls over the behaviour and activities of their members.

Compliance with the Code of Ethics and its interpretation is by way of peer review whilst observing principles of natural justice.

The Code of Ethics of this Institute applies to the members as individuals. It does not seek to supplant the Code of Ethics of the New Zealand Association of Credit Unions since that code applies to Credit Unions and Boards in their collective characters.

Neither should this code detract in any way from other codes of conduct that individual members are required to observe in their vocational activities since this can only help to bring to Credit Union governance, a rich and valuable tapestry of ethical ideas and concepts that are of immeasurable benefit to the Credit Union Movement as a whole.

[A senior manager employed in the capacity of CEO, General Manager, or Deputy or Assistant General Manager who has been admitted to membership of this Institute, shall be deemed to be a "director" subject to this code.]

FUNDAMENTAL PRINCIPLES

This Code of Ethics provides guidelines for standards of professional behaviour in Credit Union governance through the observance of fundamental principles contained within the following 12 paragraphs:

- High ethical standards and personal integrity
- Legal compliance
- Avoidance of conflicts of interest
- Confidentiality
- Responsibility to shareholders
- Non-participation with gifts, facilitation payments, bribes
- Community well-being
- Proper use of property and information
- Objectivity and independence
- Competence and quality performance
- Duty to report violations
- Non-waiver

**ALL MEMBERS OF WHATEVER CATEGORY OF THE INSTITUTE ARE
REQUIRED AT ALL TIMES TO OBSERVE:**

1. HIGH ETHICAL STANDARDS AND PERSONAL INTEGRITY

Members must behave with integrity in all their governance and business relationships. Integrity implies not merely honesty, but high ethical standards of fair dealing and truthfulness.

2. LEGAL COMPLIANCE

Members shall comply with both the letter and the spirit of all laws and regulations, as well as the rules and requirements of self-regulatory agreements to which they and their boards are a party.

3. AVOIDANCE OF CONFLICTS OF INTEREST

Members shall avoid conflict between personal interests, or the interests of any other organisation or Credit Union, on whose board the director is serving, nor shall a member allow any situation to arise or continue if it gives an appearance of a conflict of interest. Whenever a case of conflict arises, the member must forthwith disclose that interest and retire from any related discussion or decision-making.

4. CONFIDENTIALITY

Members shall not under any circumstances make improper use of information acquired as a director, or disclose or permit to be disclosed, any information that is confidential to the Credit Union or its board.

5. RESPONSIBILITY TO SHAREHOLDERS

Members shall at all times serve the legitimate interests of all shareholders of the Credit Union on whose board the member serves as a director.

6. NON-PARTICIPATION WITH GIFTS, FACILITATION PAYMENTS, BRIBES

Members shall not be a party to improper inducement and other forms of secret commission, either by the giving or the receiving of gifts, facilitation payments, bribes, kickbacks, and excessive hospitality.

7. COMMUNITY WELL-BEING

Members shall ensure that decisions are made with full regard to the interest of the broader community within which the Credit Union and its members reside.

8. PROPER USE OF PROPERTY AND INFORMATION

Members shall not make improper use of their Credit Union's physical or intellectual property, or its information, unless such use has been formerly sanctioned by the board of that Credit Union.

9. OBJECTIVITY AND INDEPENDENCE

Members must be fair, impartial, and intellectually honest, and must not allow prejudice or bias, conflict of interest, or the influence of others to override the member's own sense of objectivity.

10. COMPETENCE AND QUALITY PERFORMANCE

Members shall approach their board responsibilities and allotted duties and tasks with professionalism and integrity, and shall ensure their continuing competence for office as fit and proper persons by undertaking appropriate professional development within the guidelines set by the Council, and by furnishing returns of such professional development as the Council may from time to time require.

11. DUTY TO REPORT VIOLATIONS

Any member who knows of illegal acts or seriously unethical behaviour or other violation of this Code of Ethics by another member is bound to bring such behaviour to the attention of the Council.

12. NON-WAIVER

The provisions of this Code of Ethics may not be waived for any member.

DIRECTORY

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COUNCIL MEMBERS

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Councillors:	Douglas Armstrong	Independent
	Brian Hancock	Elected Member
	Peter Barber	Elected member
	Margaret Fleming	Registrar, NZACU CEO appointee