

CODE OF CONDUCT OF THE NEW YORK STATE BAR ASSOCIATION

A. Introduction

The purposes of the New York State Bar Association include elevating the standards of integrity, honor and courtesy in the legal profession, as well as promoting the public good and advancing the interests of the legal profession. Members of the Association carry out these purposes on a volunteer basis by their participation in the Association.

This Code is intended to assist members in carrying out the purposes of the Association in accordance with the law, the Rules of Professional Conduct, and the high ethical standards the Association espouses.

B. Applicability

This Code applies to all officers, members of the Executive Committee, members of the House of Delegates, and all other members of the Association who: (1) participate in any business decision, as defined in Section D (2) (a) below, of the Association or any of its sections, committees or task forces, or (2) hold a position entitling them to vote on a position or policy of the Association or any of its sections, committees or task forces (“officers or other members”).

C. Other Mandates

The Association and its members are subject to various federal and state laws, rules and regulations. In addition, those members practicing in New York are subject to the Rules of Professional Conduct and those members practicing in other jurisdictions are subject to similar rules of professional conduct. In the event of a conflict between the provisions of this Code and such other authorities, the latter shall control.

D. Financial Conflicts of Interest Policy

1. Fiduciary Duties of Officers and Other Members with Respect to Financial Issues

a. The purpose of this Financial Conflicts of Interest Policy is to protect the Association’s interests when it enters into a transaction or arrangement that might benefit the personal financial interests of an officer or other member who participates in conducting the business of the Association. Officers and such other members have a fiduciary responsibility to the Association in connection with transactions or arrangements of the Association which includes a duty of care and a duty of loyalty.

b. The duty of care concerns an officer or other member’s competence in performing his or her responsibilities in connection with transactions or arrangements of the

Association (“Responsibilities”). The officer or other member must carry out his or her Responsibilities with that degree of diligence, attention, care and skill that a reasonable prudent person would exercise under similar circumstances.

c. The duty of loyalty requires that an officer or other member act in good faith and in a manner he or she believes to be in the best interests of the Association when performing his or her Responsibilities. The duty of loyalty forbids self-dealing and usurpation of corporate opportunities. An officer or other member may not act in carrying out his or her Responsibilities if those actions may be affected by a conflict of interest; provided, however, that any member, prior to participating in such matter, may notify the Association’s Counsel (or such other Association attorney as may be designated by the Executive Director) in writing, fully describing the conflict. Upon Counsel’s written determination that the conflict is not substantial and is outweighed by the benefit to the Association by the member’s participation, the member may participate. A conflict of interest arises when an officer or other member has a personal financial interest which affects the objectivity of the officer or member in performing his or her Responsibilities on behalf of the Association or conflicts with the best interests of the Association.

2. Rule on Business Decisions

a. A “business decision” is one concerning the purchase of services, equipment, materials or other items or the negotiation of any contract involving the Association.

b. No officer or other member who participates in conducting the business of the Association shall participate in any business decision of the Association, unless he or she makes disclosure to and obtains approval of the Association’s Counsel pursuant to Section D (1) (c), when he or she knows that:

(i) the member, or his or her spouse, domestic partner, child, parent, sibling, or employer has a personal financial interest in such decision; or

(ii) a business in which any such person or employer has more than a 10 percent interest, or a corporation in which any such person or employer owns or controls more than 10 percent of the outstanding stock, has a financial interest in such decision.

c. This provision shall not apply to purchases of an arms-length nature for less than \$500 when made in the general marketplace.

3. Rule on Receipt of Gifts

No officer or other member who participates in conducting the business of the Association shall solicit or accept any gift, either in cash or in kind, where it could reasonably be inferred that the gift was intended to obtain a benefit from the Association; provided, however, that gifts valued at less than \$100 shall be presumed not to have been given for this purpose.

E. Confidential Information

Officers and other members who acquire confidential information of the Association in connection with their Association activities shall not disclose or use such information other than for the benefit of the Association and shall maintain the confidentiality of such information when such information is not generally available and is not intended to be disseminated beyond the Association. Such confidential information includes, but is not limited to: non-public information regarding Association employees; proprietary and business information; financial information; product or marketing plans; technical information and computer source codes; information about litigation; contracts and sponsorships or royalty agreements; and membership lists.

F. Antitrust Policy

The Association is subject to both federal and state antitrust laws. The Association is committed to obeying the letter and spirit of these laws. Accordingly, officers or other members acting on the Association's behalf and all other members participating in Association activities shall take whatever steps are necessary to ensure that the member shall not violate or cause the Association to violate these laws.

G. Reporting Suspected Violations

Any officer or other member who possesses knowledge that any other member has engaged in conduct while acting on behalf of the Association that raises a substantial question as to whether the member has violated this Code may make a confidential report of such suspected misconduct to the Association's Counsel. Any officer or other member who possesses knowledge that a staff member has engaged in conduct that raises a substantial question as to whether the staff member has violated the Business Conduct Standards applicable to staff may make a confidential report of such suspected misconduct to the Association's Counsel. The Association does not permit retaliation against any officer or other member who, in good faith, reports a possible violation of this Code or the Business Conduct Standards and any officer or other member found to have been involved in improper retaliation shall be subject to sanctions as described in Section H.

H. Administration

The Executive Committee shall appoint a special committee consisting of three or more former Presidents of the Association to investigate and make a recommendation concerning disposition of any reported alleged violation of a provision of this Code. Any alleged violation shall be referred to the special committee and shall not be disclosed to the Executive Committee unless and until the special committee submits a recommendation to the Executive Committee under the procedure set forth in this section. The special committee shall notify the alleged violator, if such notice has not previously been given, describing the alleged violation of the Code, and provide such alleged violator with a fifteen day period in which to submit a written response setting forth information relating to the activities cited as an alleged violation. If the

special committee thereafter makes a determination that further inquiry is justified, it shall give the alleged violator an opportunity to be heard. If the special committee determines at any time that there has been no violation, it shall so advise the alleged violator and the complainant. If the special committee determines that there has been no violation, all of the foregoing shall be confidential. Absent such determination, the special committee shall submit its recommendation to the Executive Committee and the Executive Committee may have access to all material considered by the special committee. If the Executive Committee finds that a violation of the Code has occurred, the Executive Committee may impose such sanctions as it deems fair and appropriate.

Any member may seek the guidance of the Association's Counsel with respect to any question that may arise under this Code, and may request a written opinion; provided, however, that in providing any written opinion or other advice, the Association's Counsel shall act only as counsel to the Association and shall advise the member accordingly. Any member who receives a written opinion from the Association's Counsel after having fully revealed all relevant facts may not be sanctioned by the Association for acting pursuant to such advice.

I. Effective Date and Amendment

This Code shall become effective ninety days after adoption of a resolution by the House of Delegates approving the Code. Upon approval, it shall be published on the Association's web site. The Code may be amended from time to time by approval of a resolution by the House of Delegates. The Audit Committee shall review the Code at least once every three years to determine whether any amendments should be proposed.