

## V. Ethical Practices Code for AFL-CIO Officers and Representatives

1. Every AFL-CIO officer and managerial employee, whether elected or appointed, has a high fiduciary duty and sacred trust to serve the best interests of the members honestly and faithfully.
2. No AFL-CIO officer or managerial employee should own or have a personal financial interest which conflicts with the full performance of his or her fiduciary duties. In particular:
  - (a) No AFL-CIO officer or managerial employee shall have any substantial financial interest in any firm which bargains collectively with the AFL-CIO or with any directly affiliated local union of the AFL-CIO ("DALU").
  - (b) No AFL-CIO officer or managerial employee shall own or have a substantial financial interest in any firm which does business or seeks to do business with the AFL-CIO or any DALU.
  - (c) For purposes of these rules, a "substantial interest" is one which either contributes significantly to the individual's financial well-being or which enables the individual to affect or influence the course of corporate decision making. A substantial interest does not include stock in a purchase plan, profit-sharing plan or ESOP.
  - (d) An AFL-CIO officer or managerial employee shall not be deemed in violation of these prohibitions with respect to any investments, which are held in a mutual fund or a blind trust.
3. No AFL-CIO officer or managerial employee shall accept any *non-de minimis* personal payment of any kind from an employer which bargains collectively with the AFL-CIO or any DALU, or from a business or professional enterprise which does business or seeks to do business with the AFL-CIO or any DALU, other than regular pay and benefits for work performed.

4. No AFL-CIO officer or managerial employee shall receive compensation of any kind from a fund established for the provision of retirement, health or welfare benefits for serving as an employee representative or labor-designated trustee on such employee benefit fund or plan, except for reasonable reimbursement of expenses provided uniformly to such representatives or trustees. A benefit "fund" or "plan" for purposes of this provision means a fund or plan sponsored by the AFL-CIO or a DALU, or in which the AFL-CIO or a DALU participates. It is not a violation of this provision for an officer or managerial employee who is not a full-time employee of the AFL-CIO to be a lawfully paid employee of a retirement, health or welfare fund.
5. No AFL-CIO officer or managerial employee who serves in a fiduciary position with respect to, or who otherwise exercises responsibilities or influence in the administration of, a retirement, health or welfare benefit fund or plan shall have any substantial financial interest in any investment manager, insurance carrier, broker, consultant or other firm doing or seeking to do business with the fund or plan. A benefit "fund" or "plan" for purposes of this provision means a fund or plan sponsored by the AFL-CIO or a DALU, or in which the AFL-CIO or a DALU participates.
6. No AFL-CIO officer or managerial employee shall convert any property belonging to the AFL-CIO to the individual's personal advantage.
7. Every AFL-CIO officer and managerial employee shall carry out his/her AFL-CIO office or appointment in a manner that gives full recognition, in connection with affairs of the AFL-CIO, to the right of union members to assemble freely, attend AFL-CIO meetings, express views, arguments and opinions, nominate candidates for AFL-CIO office, run for AFL-CIO office and vote in AFL-CIO elections, except to the extent such rights are limited by provisions in the constitution and laws of the AFL-CIO and/or relevant AFL-CIO entity. No AFL-CIO officer or managerial employee shall penalize, discipline or otherwise interfere with or retaliate against any union member for exercising such a right in connection with affairs of the AFL-CIO.
8. No person who is convicted of any felony involving the infliction of grievous bodily injury, any crime of dishonesty or any crime involving abuse or misuse of such

person's position or employment in a labor organization or an employee benefit fund shall serve as an AFL-CIO officer or managerial employee.

9. This Code shall be enforced by the following process:
  - (a) The President of the AFL-CIO shall appoint a standing Ethical Practices Committee (EPC) consisting of four members of the AFL-CIO Executive Council, serving on a rotating basis, and an elected AFL-CIO Executive Officer.
  - (b) Charges of violations of this Code may be filed only by a member of a union affiliated with the AFL-CIO and must be accompanied by substantiating documentation. Such charges shall be referred to the EPC for review and recommended disposition. A charge alleging the existence of a substantial financial interest by a nonemployee officer of the AFL-CIO in violation of Section 2(a) or 2(b) of this Code shall be dismissed administratively where it is established that the individual in question recused himself or herself from any and all decision making with respect to the firm or firms involved.
  - (c) The EPC shall have the authority to investigate and, where the EPC finds reasonable cause to believe that a violation of the Code has occurred, to bring the matter to an appropriate hearing before an impartial hearing panel drawn from within the AFL-CIO, if the matter is not otherwise resolved.
  - (d) All charges and investigations shall be kept confidential unless and until the EPC finds reasonable cause to bring the matter to a hearing. The EPC shall adopt reasonable measures to ensure that confidentiality is maintained, including enforceable sanctions for breach of confidentiality.
  - (e) Fundamental due process shall be afforded to the individual charged in connection with any such hearing.
  - (f) Following completion of the hearing, the hearing panel shall issue a written decision containing its findings and recommendations to the AFL-CIO President and Executive Council.
  - (g) Where a violation is found, the recommendations shall include an appropriate disposition and/or recommended penalty up to and including

removal from service as an AFL-CIO officer (in accordance with procedures of the AFL-CIO Constitution) and/or employee.

- (h) The Executive Council shall have the final decision in the matter and shall permit the individual charged a reasonable opportunity, upon request, to present his or her position to the Council prior to rendering a final decision.
- (i) There shall be no retaliation against any AFL-CIO officer, representative or employee for filing a charge alleging a violation of this Code.

10. The substance and procedures of this Code shall be binding upon each AFL-CIO State Federation and Central Labor Council with respect to its own officers and managerial employees, subject to the following:

- (a) Wherever reference herein is made to the AFL-CIO, the corresponding reference shall be to the particular State Federation or Central Labor Council only.
- (b) References herein to a directly affiliated local union of the AFL-CIO (DALU) shall not apply.
- (c) Each State Federation or Central Labor Council is responsible for enforcing the substance of this Code through its own Ethical Practices Committee and through procedures consistent with those set forth in paragraph 9 above, subject to review by the AFL-CIO pursuant to Article XIII, Section 3 of the AFL-CIO Constitution.
- (d) This Code is not intended to address the dealings and conduct of State Federation or Central Labor Council officers and employees in their other capacities as officers, representatives, employees or members of separate labor organizations, whether or not affiliated with the State Federation or Central Labor Council.