

# **CDA-Company Policies Regarding Gifts, Conflicts, Confidentiality, Professional Conduct and Prohibition Against Harassment**

## **General**

All persons serving in an elective or appointive position with California Dental Association or any of its subsidiary or affiliated companies (collectively, the “CDA-Companies” and individually, a “CDA-Company”) owe a fiduciary duty to the CDA-Companies and the CDA members. No trustee, director, officer, or council or committee member of any CDA-Company (“volunteer”) shall use his or her affiliation with the organizations for private or personal advantage. Further, no volunteer shall have any outside business interest which might, in fact or appearance, interfere with his or her wholehearted loyalty to the CDA-Companies, and the CDA members. No volunteer shall have any interest or association which interferes with, or appears to impair, the independent exercise of his or her judgment in the best interests of the CDA-Companies, and the CDA members. No volunteer shall take advantage of any business opportunity, knowledge of which was acquired as a result of affiliation with the organizations, without first offering the opportunity to the CDA-Companies. A volunteer’s fiduciary duty to the CDA-Companies and the CDA members extends beyond termination of his or her elective or appointive position.

The CDA Companies are committed to the highest level of legal, ethical and moral standards in the conduct of their businesses, based upon a fundamental belief in law, honesty, and fair dealing. Every volunteer is expected to maintain and to foster these standards and has an obligation to disclose any action which is believed to be inconsistent with them.

The spirit of this general statement, as well as the more specific statements which follow, apply not only to individual volunteers, but also to members of their immediate families.<sup>1</sup>

Because no statement of policy can be made so comprehensive as to cover all possible situations in which a conflict of interest can arise, it is expected that every volunteer will exercise his or her best judgment with respect to each situation. The CDA Companies reserve final judgment on whether a specific set of circumstances constitutes a potential violation of this policy. The following areas are of particular concern.

### **A. Gifts and Favors**

No volunteer or any member of a volunteer’s immediate family shall seek or accept any gifts, services, rebates, valuable privileges, discounts, trips, vacations, loans (other than conventional loans from lending institutions) or other favors, from any person or business organization that does, or seeks to do, business with, or is a competitor of, any CDA-Company. Any volunteer may accept common courtesies or gifts of a nominal value for themselves or members of their immediate families if such courtesies or gifts are consistent with accepted business practices. Each volunteer shall promptly disclose to the CDA legal department the offering or acceptance of gifts or courtesies of more than a nominal value.

No volunteer or any member of his or her immediate family shall provide or give gifts or favors to any person or business organization where such gifts or favors are intended to or might tend in any way to impair independent judgment concerning the business operations of any CDA-Company.

### **B. Conflicting Business Relationships**

No volunteer, either personally or by the means of members of his or her immediate family, shall hold or plan to hold a material financial interest in a business or organization which furnishes or is seeking to furnish goods or services, does business with or is seeking to do business with, or has an adversarial relationship with any CDA-Company without first obtaining approval from the CDA legal department.<sup>2</sup>

---

<sup>1</sup> As used herein, the term “immediate family” means a person’s spouse, domestic partner, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law, and anyone sharing the person’s home.

<sup>2</sup> As used herein, the term “material financial interest” means (i) a financial ownership interest of 5% or more; (ii) a financial ownership interest which contributes materially to the income of the volunteer; or (iii) a position as proprietor, director, managing partner, or key employee.

**CDA-Company**  
**Policies Regarding Gifts, Conflicts, Confidentiality, Professional Conduct and Prohibition**  
**Against Harassment**

**C. Confidentiality**

Pursuant to their fiduciary duties of loyalty and care, volunteers are required to protect and hold confidential all Confidential Information absent the express permission of the CDA legal department to disclose such information.

The term “Confidential Information” means any information or data not generally known to the public obtained from any CDA-Company, or learned, discovered, developed, conceived, originated or prepared by reason of the volunteer's position or activities on behalf of any CDA-Company. Confidential Information includes, but is not limited to, deliberations and discussions of the CDA or CDA-Company Board of Trustees, Board of Directors, committee(s) or council(s), technical and business information, trade secrets, know-how, inventions, products, research and development, production processes, finances, members and member lists, suppliers, designs, drawings, marketing, and future business plans.

No volunteer shall (i) disclose Confidential Information or make public or private statements or comments regarding Confidential Information either during or after the term of his or her elective or appointed position, except with authorization of the CDA legal department or as may be otherwise required by law; (ii) use any Confidential Information for his or her own benefit or that of third parties; and (iii) allow any third party to gain access to any Confidential Information. Each volunteer shall take required steps to protect Confidential Information and avoid any unauthorized disclosure thereof. Each volunteer shall return all copies of documents containing Confidential Information upon termination of his or her elective or appointive position.

**D. Professional Conduct and Prohibition Against Harassment**

The CDA-Companies are proud of their professional and congenial work environment, and will take all necessary steps to ensure that the work environment remains pleasant for all who work here. It is the policy of the CDA-Companies that all volunteers, as well as all employees, are responsible for assuring that the work place is free from harassment. The CDA-Companies absolutely prohibit sexual harassment and harassment on the basis of race, color, religion, gender, national origin, age, disability, sexual orientation, status with respect to public assistance, or marital status. Certain discriminatory harassment is prohibited by state and federal laws, which may subject the CDA-Companies and/or the individual harasser to liability for any such unlawful conduct. With this policy, the CDA-Companies prohibit not only unlawful harassment, but also other unprofessional and discourteous actions. Derogatory racial, ethnic, religious, age, sexual orientation, sexual or other inappropriate remarks, slurs, or jokes will not be tolerated.

Sexual harassment includes unwelcome sexual advances and requests for sexual favors, and all other verbal or physical conduct of a sexual nature when:

- submission to such conduct is made either implicitly or explicitly a condition of the individual's employment;
- submission to or rejection of such conduct is used as the basis for decisions affecting an individual's employment; or
- such conduct is sufficiently severe or pervasive to alter the conditions of employment and to create a hostile or abusive working environment.

Sexual harassment may take many forms, including, but not limited to:

- verbal harassment or abuse of a sexual nature;
- subtle pressure or abuse of a sexual nature;
- unnecessary touching of an individual, for example, patting, pinching, hugging, repeated brushing against another employee's body;
- offensive sexual flirtation, advances or propositioning;
- graphic verbal commentaries or jokes;
- sexually degrading words used to describe an individual; or
- the offensive display in the workplace of sexual objects, pictures or writings.

**CDA-Company**  
**Policies Regarding Gifts, Conflicts, Confidentiality, Professional Conduct and Prohibition**  
**Against Harassment**

Each volunteer must exercise his or her own good judgment to avoid engaging in conduct that may be perceived by others as harassment. Forms of harassment include, but are not limited to:

- verbal: repeated sexual innuendoes, racial or sexual epithets, derogatory slurs, off-color jokes, negative stereotyping, personally abusive remarks, propositions, threats or suggestive or insulting sounds;
- visual/non-verbal: derogatory posters, cartoons, or drawings; suggestive objects or pictures; graphic commentaries; leering; or obscene gestures;
- physical: unwanted physical contact including touching, interference with an individual's normal work movement or assault; and
- making or threatening reprisals as a result of a negative response to harassment.

Volunteers, as well as employees, are responsible for keeping our work environment free of all such harassment. If you believe that you have been harassed, or if you become aware of an incident of harassment, whether by an employee or a non-employee, you should report it as soon as possible to CDA General Counsel, Alison Sandman, at (916) 554-4910, or to outside legal counsel, Judith Droz Keyes at Davis Wright Tremaine, LLP at (415) 276-6512. Do not allow an inappropriate situation to continue by not reporting it, regardless of who is creating that situation.

This policy applies to the immediate work place as well as to CDA related activity outside the ordinary work place, such as annual sessions, House of Delegates and CDA-sponsored social or recreational events.

In response to every complaint, the CDA will take prompt investigatory actions and corrective and preventative actions where necessary. All CDA volunteers should be aware that the privacy of the charging party and the person accused of the harassment will be protected to the extent consistent with effective enforcement of this policy. The CDA will retain confidential documentation of all allegations and investigations.

**E. Felony Involving Dishonesty or Breach of Trust**

Pursuant to 18 United States Code section 1033(e), “[a]ny individual who has been convicted of any criminal felony involving dishonesty or a breach of trust . . . may engage in the business of insurance . . . if such person has the written consent of any insurance regulatory official authorized to regulated the insurer . . .” For The Dentists Insurance Company and TDIC Insurance Solutions to comply with this law, it must require each of its directors, officers, and committee members to disclose whether they have ever been convicted of a felony involving dishonesty or a breach of trust.

**F. Statement of Disclosure**

Each volunteer shall, prior to his or her election or appointment and on an annual basis thereafter, complete and sign the Statement of Disclosure of Business Interests and Activities, a copy of which is attached. Each volunteer with The Dentists Insurance Company and/or TDIC Insurance Solutions must complete the section of the Statement disclosing any conviction of a felony involving dishonesty or a breach of trust. The Statement shall be sent to and maintained by the CDA legal department. Each volunteer is responsible for informing the CDA legal department promptly of any change in any of the information provided on the Statement, or of any situation creating an actual or potential conflict of interest or violation of this Policy.