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[Entertainment Template .doc](#)

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Gerard/Gilbert

Please see attached "draft" supplement to the corporate Code of Conduct for LCP detailing our guidelines around "Entertainment, Gifts and Favors". This has been reviewed within the project only and we now look for your comments in preparation for Gerard's potential tabling at the Leadership Meeting next week.

I have not had legal review of this from the perspective of Conflict of Interest legislation and thus copy Peter.

Gerard, we are now working to your timeline so when would you need me to have all comments incorporated from Peter/Gilbert and yourself?

Look forward to your responses.

Rgds

Lance



Entertainment Template .doc



## NEWFOUNDLAND and LABRADOR HYDRO

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## **1.0 Purpose**

This document was prepared as an addition to the Code of Conduct for the Lower Churchill Project (LCP). As there is currently no Entertainment, Gifts, and Benefits section in Newfoundland and Labrador Hydro's (NLH) corporate Code of Conduct, the LCP management team recognized this as an important additional component of the code, specific to the LCP.

## **2.0 Scope**

For a project of this size it is realistic to expect the exchange or offering of business entertainment and gifts throughout the course of a business relationship. This document is meant to provide some guidelines and restrictions on what is and is not deemed as acceptable in the exchange, offering, or acceptance of business entertainment, gifts, or benefits.

## **3.0 Definitions**

Project Personnel

Includes all NLH employees assigned to the Lower Churchill Project, consultants, contractors and project hired personnel working, full time, part time and temporarily, as part of the integrated project management team.

## **4.0 Abbreviations and Acronyms**

N/A

## **5.0 Reference Documents and/or Associated Forms**

N/A

## **6.0 Responsibilities**

### **6.1 Vice President Lower Churchill Project and Project Manager**

- The Vice President has overall accountability to ensure that the Code of Conduct is followed by all Project personnel. The Project Manager has overall responsibility to implement the Code of Conduct and will further delegate this responsibility to department managers and leads. This is intended to bring ownership and responsibility for ensuring implementation and enforcement of the code through line management to individual project team members.

### **6.2 Department Managers and Leads**

- Ensure general team awareness and understanding of the purpose and application of the Code of Conduct, specifically the guidelines for entertainment, gifts, and benefits.
- Ensure project activities are conducted in accordance with these guidelines.
- Ensure that the Code of Conduct and these guidelines are updated to reflect all lessons learned for continued improvement.

### **6.3 LCP Team**

- Familiarize themselves and actively support the Code of Conduct and the guidelines for accepting and receiving entertainment, gifts, and benefits. All LCP staff members are responsible for following these guidelines. If a situation arises where there is any doubt as the suitability of an entertainment, gift or favour then the LCP Team member shall check with their immediate supervisor and seek guidance.

## **7.0 Entertainment, Gifts, and Favours**

Other than compensation received from employment with the Project, Project Personnel shall not accept a fee or personal benefit for executing their work. Project Personnel who receive or offer gifts, entertainment or benefits must do so within the confines of industry acceptance/business custom as referenced in the Newfoundland and Labrador Hydro (NLH) Code of Conduct and the Conflict of Interest Act.

### **7.1 Acceptable Entertainment, Gifts, and Favours**

Invitations, gifts and benefits should only be accepted or offered as a gesture of appreciation, hospitality or civility and must be a routine form of exchange in connection with business relations. They can never be accepted or offered in return for preferential treatment or perceived as such, i.e. never during bidding periods.

Project Personnel are only to accept a gift or favour if its value can be reciprocated and justified as a nominal business expense.

- **Gifts** may generally be accepted if they are of nominal value and commonly accepted as promotional items or tokens of appreciation. Even for items of nominal value, it should be considered whether the frequency and timing of gifts may create an appearance of being inappropriate. Project personnel may not give or accept cash.

**Business Meals and Entertainment** should be of a frequency consistent with accepted business practice, not extravagant in nature and for the express purpose of furthering normal business relations. Whether providing or receiving a business meal or entertainment, it must be approved by management.

#### **7.1.1 Nominal Value**

Gifts, entertainment or benefits must be of modest value (<\$150 CDN) and must not grant or appear to grant preferential treatment to, or secure preferential treatment from, a potential or actual client.

#### **7.1.2 Above Nominal Value**

The Project may offer, or allow Project Personnel to accept, gifts, entertainment, or benefits above the nominal value (>\$150 CDN) where local custom or other exceptional circumstances call for or if used as a gesture of appreciation, hospitality, or civility to build and continue further business relationships for the Project.

All gifts, entertainment and benefits that are above nominal value must be disclosed by Project Personnel to their immediate supervisor and management will decide the appropriateness of acceptance. It may be decided to donate the gift to a charitable organization or share the gift by the department rather than individually. If there remains doubt whether Project Personnel should accept a gift, entertainment or benefit it is better to attempt to politely refuse.

## **7.2 Non Acceptable Entertainment, Gifts, and Favours**

Under no circumstance are gifts, entertainment or benefits acceptable during the contractor selection and award process where an outside party has an association with a bid.

It is never acceptable for Project Personnel to accept gifts of cash regardless of the context.

### **7.3 Evaluating Situations**

Even within these parameters, each individual case must be assessed on its own merit. Project personnel must demonstrate good judgement by asking key questions of themselves to evaluate the donors' reason for a gift, the effect the gift has on their actions, and how others may perceive the situation. These questions include consideration of:

- Whether they are in a position to influence any decision making?
- The actual reason behind the gift, entertainment or benefit?
- What is the current relationship with the company or organization in question? What was it in the past? What will it be in the future?
- How would others perceive the acceptance by the Project team of the gift, entertainment or benefit?
- How would family and peers react if they were aware of the acceptance of the gift, entertainment or benefit?
- Would the integrity or objectivity of the LCP be compromised or perceived as such as a result of accepting the gift, entertainment or benefit?
- Whether they feel comfortable reciprocating to an equivalent level?
- If on further reflection and evaluation, an accepted gift is considered inappropriate, the gift should be returned promptly.
- If in doubt, ask an immediate supervisor.