



## POLICY AND PROCEDURE

**Policy Owner: Policy and Ethics Committee**  
**Effective Date: September 12, 2011**

**SUBJECT: Gift Giving and Receiving Policy**

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### **I. Policy**

ATC Management Inc. (ATC or Company) recognizes that gift giving and receiving is a standard business custom. The Gift Giving and Receiving Policy provides guidelines to assist employees in making appropriate gift giving and receiving decisions.

### **II. Procedure**

**A. Applicability/Eligibility:** All employees.

#### **B. Internal Gift Giving**

1. Employees may not use ATC funds to purchase gifts for other ATC employees. For example, it would be a violation of policy to purchase gifts using Company funds for the following:
  - Baby/wedding showers
  - Illness/hospitalization
  - Holidays (e.g. administrative professional's day, boss's day, Christmas)
  - Employee promotion/recognition outside of ATC's Recognition Program (i.e. On-Target Award, Bull's Eye Award)
2. ATC funds may be used to purchase gifts for other ATC employees under the following circumstances:
  - Gifts purchased for a company-sponsored event or program, including promotional items or giveaways that clearly reflect the ATC logo and have a legitimate business purpose.
  - With prior director-level approval, floral arrangements or a donation in the name of ATC upon the death of an employee's relative or domestic partner. For the purposes of this policy, "relative or domestic partner" is defined as: parent, spouse, child, sibling, grandparent, grandchild,

aunt, uncle, cousin, in-law or step relative, or any person with whom the employee has a close personal or legal relationship such as a domestic partner, romantic partner, guardian, or co-habitant.

- Gifts otherwise approved by the CEO.
3. All tangible gifts given to an ATC employee, regardless of dollar amount, must be reported to Payroll. Such gifts are required by Internal Revenue Code to be recorded as taxable income and will be reflected on the employee's W-2.

### **C. Gift Giving and Receiving Related to Customers and Suppliers**

1. Employees may not use ATC funds to provide the following types of business gifts to customers and/or suppliers:
  - Gifts of cash.
  - Gifts to any government official.
2. Employees may give and/or receive business gifts under the following circumstances:
  - Gifts of nominal value (\$100 or less).
  - Reciprocal meal or entertainment exchanges that serve legitimate business interests or are infrequent, normal, and expected social courtesies.
  - Inexpensive items such as logo pens, cups, or other similar advertising novelties of nominal aggregate value.
  - Gifts that are based on commercial protocol (commercial protocol is defined as the common practices of a company or the industry the company is in).
3. Other gift giving and receiving considerations when interacting with customers and suppliers include the following:
  - Employees must ensure no conflict of interest exists – either in reality or appearance.
  - Decisions involving the Company and its relationship with customers and suppliers must never be influenced by gift giving or receiving.
  - Employees must not give, accept, or solicit a business gift that could be construed as a bribe or kickback, or which may give the impression that there is an attempt to influence objective judgment or to reward favorable treatment in a business relationship.

### **III. Exclusions**

This policy is not applicable to vendor-sponsored social/entertainment events as such events are not considered gifts, provided the vendor is present. However, there may be concerns with out-of-town events for which the vendor pays transportation and lodging; therefore, employees must contact a member of the Policy and Ethics Committee for clarification in these situations prior to accepting such invitation or gift and prior to participating in such event.

### **IV. Exceptions/Revisions**

Exceptions or changes to this policy require the approval of the Policy and Ethics Committee.