



ARDCI MICROFINANCE, INCORPORATED

(Formerly: ARDCI NGO Group, Incorporated)

SEC Registration No. 11998-00277

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CODE OF BUSINESS CONDUCT AND ETHICS FOR THE MEMBERS OF THE BOARD OF TRUSTEES

2018

I. Board constitution and Committee members

- A. The corporate powers of ARDCI Microfinance, Incorporated shall be exercised, its business conducted, and its property controlled, including the corporate control of any and all subsidiaries and affiliates that it may establish, by and through the Board of Trustees, composed of eleven (11) Trustees, five (5) of whom shall be elected from the rank of SLS Chairpersons from the province of Catanduanes, four (4) of whom shall be elected from the rank of SLS Chairpersons from branches in Albay, Sorsogon, and Camarines Sur listed in section 6, Article II, and two (2) of which shall be Independent_Trustees. As soon as possible after the AGMM, a meeting of the Board of Trustees (“Board”) shall be held to elect a President and a Vice-President among the members of the Board.

In case of parity of votes, the vote is decided by lot.

- B. At the same time, the Board appoints members to the Corporate Governance Committee, Audit Committee, and the Risk Oversight Committee.
- C. Any two (2) or more positions may be held concurrently by the same person, except that no one shall act as President and Treasurer at the same time.
- D. If the President resigns, the Vice-President of the Board shall take up the position until the next Annual General Membership Meeting. In such case, the Board shall elect a new Vice-President among the members of the Board.
- E. Any trustee may be removed from office by a vote of at least two-thirds (2/3) of the members entitled to vote: Provided, That such removal shall take place either at a regular meeting or at a special meeting called for the purpose, and in either case, after previous notice to members of the intention to propose such removal at the meeting.
- F. Any vacancy occurring in the Board of Trustees other than by removal by the members, may be filled by the vote of at least a majority of the remaining trustees, if still constituting a quorum; otherwise, said vacancies must be filled by the members in a regular or special meeting called for that purpose: Provided, that the special meeting shall not be less than three (3) months prior to the regular meeting. A trustee so elected to fill a vacancy shall only serve the unexpired term of his predecessor in office.

II. Meetings of the Board

A. Meetings, venue, and electronic means of communication

1. The Board shall hold a regular meeting at least once a month at such days and hours to be fixed by the Board or by the President.
2. Special meetings of the Board of Trustees maybe called as the need arises by the President or a majority of the officers and members of the Board.

3. Electronic means of communication may be used for communication between the members of the Board and between the members of the Board and ARDCI.

B. Notice and agenda

1. Notice of meetings shall be served either personally or through any means of communications no less than one (1) day before the scheduled meeting.
2. To the extent possible, any material shall be forwarded to the members of the Board, and to the extent relevant, to the Management Committee, and the Internal Auditor so as to ensure that the material is received seven (7) calendar days before the meeting.
3. Notice shall be given, or cause to be given, by the Corporate Secretary.
4. Notice of any meeting may be waived, expressly or impliedly, by any trustee.
5. To the extent practicable and appropriate, the Executive Director and the Corporate Secretary shall prepare the agenda in consultation with the Board President. Any member of the Board and the Management Committee shall be entitled to demand that specific items be included on the agenda.
6. The order of business at the regular or special meeting of the Board shall be as follows:
 1. Call to order;
 2. Proof of service of the required notice of meeting;
 3. Proof of the presence of a quorum;
 4. Reading and approval of the minutes of the previous meeting
 5. Annual report of the President
 6. Election of the members of the Board of Trustees
 7. Unfinished business
 8. New business
 9. Adjournment

A. Special Meetings

1. Call to order
2. Proof of service of the required notice of the meeting
3. Proof of the presence of a quorum
4. Business for which the meeting has been called
5. Adjournment

C. Quorum

1. A quorum for every meeting of the members shall consist of a majority (50%+1) of the members and a majority of such quorum may decide on any question at the meeting, except those matters where the Corporation Code requires the affirmative vote of a greater proportion.
2. Trustees cannot attend or vote by proxy at Board meetings.

D. Resolutions

1. Resolutions by the Board shall be passed by simple majority of the votes present at the meeting, unless other requirements are stipulated in applicable law, ARDCI's Articles of Incorporation and By-Laws, or this Code of Business Conduct and Ethics. In case of equality of votes, the President – or in his absence the Vice-President – shall have a casting vote.
2. The President and the Board may resolve that a matter require further deliberation before a resolution is adopted on such matter.
3. Resolutions by the Board may, if required, be adopted by ballot or by voting carried out in a reliable manner.

E. Participation

1. The Board shall not pass a resolution without all members of the Board, to the extent practically possible, having had an opportunity to participate in the transaction of the matter.
2. Members of the Management Committee may participate in meetings of the Board unless the Board in each case decides otherwise.
3. ARDCI's external auditor and the Internal Auditor shall be entitled to participate in meetings of the Board, where matters relevant to the auditing or the financial reporting of ARDCI are considered.

F. Minutes

1. The Corporate Secretary shall prepare and keep minutes in the Minute Book of the businesses transacted at meetings of the Board and at Committee meetings.
2. Minutes of the meetings of the Board shall (as a minimum) state (i) Names of the participants and absentees; (ii) Agenda, a summary of the discussions, and the resolutions passed for each item, including a description of any material risk assessments and key assumptions for the resolutions passed; and (iii) The date of submission of the minutes to the Board.

3. Each member of the Board shall as soon as possible and no later than seven (7) working days before the succeeding meeting of the Board receive the draft minutes.
4. A member of the Board, a member of the Management Committee, the Internal Auditor, or an external auditor, who does not agree with a resolution passed by the Board, shall be entitled to have his/her view and objections entered into the Minute Book.
5. The Corporate Secretary shall maintain a register of all Board material, meeting material, all policies and instructions having been dealt with or approved by the Board or a Committee.

III. Officers

- A. The President shall organize, convene, and chair the meetings of the Board.

The President shall not be considered an officer of ARDCI, and shall not head any unit or department nor shall he be involved in the direct and daily operations of ARDCI.

- B. The primary duties of the President as provided in the By-Laws are as follows:
 1. Ensure that the Board carry out the following duties:
 - a. Appoint and evaluate the Executive Director.
 - b. Ensure the strategic framework for ARDCI Microfinance, Incorporated.
 - c. Preserve ARDCI Microfinance, Incorporated's mission.
 2. Sign key documents authorized by the Board.
 3. Submit to the Board as soon as possible after the close of the calendar year, and to the members at its annual meeting, a complete report of the activities and operations of ARDCI Microfinance, Incorporated for the calendar year under his/her term.

- C. The Vice-President shall act as President in the absence of the President.

The Vice-President shall not be considered an officer of ARDCI, and shall not head any unit or department nor shall he be involved in the direct and daily operations of ARDCI.

- D. The Board shall appoint a Corporate Secretary to assist the President and the Board in carrying out their tasks and duties.

The Corporate Secretary shall attend all sessions of the Board and shall record all votes and the minutes of all proceedings and shall perform like duties for any committee of the Board. He shall have custody of the seal of the corporation and as well as all other pertinent records. The Corporate Secretary shall have the following express powers and duties:

- a. Keep full minutes of all meetings of the Board, of its committees, and of the members;
 - b. Give, or cause to be given, all notices required by law or by the By-Laws of the corporation as well as the notices of all meetings of the Board, of its committees, and of the members; and
 - c. Perform such other duties as may be prescribed by the Board.
- E. The Board shall appoint a Treasurer, who may or may not be a trustee, to ensure that the board reviews the annual budgets and reports from supervisory authorities. He or she shall disburse all benefits and /or allowances due for the members, and, when so designated by the Board, perform such other duties and functions as may be assigned to him/her from time to time by the Board. Further, post a bond in such amount as may be designated by the board.
- F. The Board shall ensure an appropriate division of tasks among the President, the Vice-President, and the other members of the Board, the Management Committee, and the members of the Management Committee.
- G. The President and the Vice-President may request one or more of the other members of the Board to assist them with specific tasks, which may for example include the preparation of presentations on important matters or matters of principle for submission to the Board.

IV. Tasks of the Board

- A. Business plan

1. The Board shall adopt an overall business model, risk profile, and strategy plan, including financial targets for ARDCI's activities on the basis of a proposal prepared by the Management Committee. The plan covering a period as determined by the Board shall contain (i) the overall business model for ARDCI, (ii) the overall risk profile of ARDCI, (iii) strategic and financial targets and a funding plan including liquidity and capital targets, (iv) strategy implementation plan, and (v) financial forecast for a relevant period.
2. At least once every year, the Board shall, in connection with the annual strategy meeting on the basis of a proposal prepared by the Management Committee, arrange that the overall business model and the risk profile and the strategy, business model, and action plans are revised and updated by the Board with a view to sustain value creation in ARDCI and ensure that the necessary competencies and financial resources are available in order for ARDCI to achieve its strategic goals.

B. Capital resources

1. The Board shall ensure that the capital resources of ARDCI are adequate at all times. Hence, the Board is required to continuously assess ARDCI's financial and risk position and ensure that it has internal risk measurement and management procedures to monitor and maintain a regulatory capital base sufficient in size, type, and composition to match the risk profile of ARDCI. On the basis of these assessments and measures, the Board must, together with the Management Committee, determine the solvency needs of ARDCI. Together with the Management Committee, the Board shall on a continuous basis and at least once during every financial year assess the solvency needs of ARDCI.

C. Compliance

1. The Board shall supervise the activities of ARDCI and ensure that ARDCI is properly managed and in compliance with ARDCI's Articles of Incorporation, By-Laws, general policies, and guidelines; and applicable laws and regulations.
2. ARDCI shall establish a compliance function. The Board shall appoint a Compliance Officer to oversee the organization's compliance with ARDCI's Articles of Incorporation, By-Laws, general policies, and guidelines; and applicable laws and regulations. The Board shall define the tasks and responsibilities of the Compliance Officer in terms of reference.

D. Risk management

1. The Board shall on a continuous basis identify and quantify (a) the material risks associated with ARDCI's strategy, and other financial business activities and other operations as well as (b) the risks associated with financial reporting and presentation of financial reports and on this basis determine the risk profile of ARDCI.
2. The Board shall, as part of the risk profile, determine which risks ARDCI may assume, the size of such risks, and applicable limits to significant activities of ARDCI and the principles for the calculation and measurement of such risks. The risk profile must, as a minimum, comprise credit risk, market risk, liquidity risk, and operational risk including IT risk.
3. The Board shall adopt policies for risk-taking and the management of the main activities of ARDCI. The Board shall issue written risk instructions and guidelines for the Management Committee on basis of the risk profile and the adopted risk policies.
4. The Board shall ensure that the Management Committee regularly reports on the development and management of material risks and compliance with the adopted risk policies, risk instructions, and guidelines.
5. The Board shall on a continuous basis and on the basis of recommendations from the Risk Oversight Committee, and the Audit Committee, assess whether the risk profile and risk policies of ARDCI are adequate and prudent based on the actual operations and activities, the organization, the available capital and liquidity resources, and the prevailing market conditions.
6. On the basis of recommendations from the Risk Oversight Committee, and the Audit Committee, the Board shall once every year review, discuss and conclude on ARDCI's (a) risk management, (b) internal control functions, (c) IT organization, and (d) accounting and budgeting functions and ensure that required procedures and policies are established and that they are adequate and reflects the actual activities and needs of ARDCI at all times.

The Board shall as part of this assessment evaluate and discuss whether the resources allocated to the risk control functions are adequate and sufficient to ensure satisfactory operation of ARDCI.

E. Operations and budgets

1. The Board shall monitor the operations of ARDCI on a regular basis and shall compare the results with the budgets.

2. Before the beginning of a financial year, the Management Committee shall prepare a budget for that financial year which shall include inter alia profit and loss statement, balance sheet, funding structure, capital structure, liquidity, solvency, and rating targets. The budget shall be broken down on quarters and such budget shall be submitted to the Board for approval.
3. The Board shall ensure that the approval procedures for the budget and its elements are appropriate and kept up to date and that prudent investment and profitability calculations form the basis of its approval of large-scale investments and divestments.

F. Annual and interim reports

1. The Board shall instruct the Management Committee to ensure that the book-keeping, asset management, preparation, and issuance of the annual reports and interim reports and the business procedures are satisfactory and controlled in an appropriate way given the affairs and size of ARDCI, including ensuring that the Board continuously receives relevant reporting on ARDCI's financial position.
2. At meetings of the Board where annual reports or interim reports are to be approved, the Board shall review the draft prepared by the Management Committee and shall ensure that annual or interim reports have been prepared to provide a true and fair view of ARDCI's assets and liabilities, its financial position, and results in accordance with applicable accounting rules.
3. In connection with the consideration and approval of the annual report, the Board shall decide whether the annual report has been prepared based on a going concern assumption and consider any special assumptions that support the going concern assumption, and any uncertainties related thereto, together with an assessment of the valuation of any material assets and liabilities which have not been assessed as part of the annual review of outstanding loans and credit facilities.
4. The annual report, signed by the Board and the Management Committee and audited by ARDCI's external auditor/s and the Internal Auditor, shall be presented at the Annual General Membership Meeting.

G. Audit

1. The Board shall maintain a regular dialogue and exchange of information with ARDCI's external auditor and the Internal Auditor and shall ensure that ARDCI's external auditor and the Internal Auditor have access to all information necessary and appropriate to carry out the audit and for the purpose of carrying out the task as ARDCI's external auditor and Internal Auditor.

2. The Board shall instruct ARDCI's external auditors to perform an audit of ARDCI. The Board shall be informed regularly through entry in the external auditor's long-form audit report or otherwise by contacting the Executive Director where matters of significance are identified which ought to be reported to the Board.
3. The terms of engagement of ARDCI's external auditor and their fee shall be approved by the Board upon recommendation from the Management Committee.
4. ARDCI shall establish an Internal Audit function. The Internal Auditor shall be appointed by the Board. The Board shall define the tasks and responsibilities of Internal Audit in terms of reference. The Board and the Audit Committee shall meet with the Internal Auditor at least four (4) times every year without the Management Committee or any member of the said committee being present.
5. The Board shall be informed regularly about significant activities, observations, and conclusions of the Internal Auditor through entry in the Internal Auditor's long-form audit report or otherwise by contacting the President where matters of significance are identified which ought to be reported to the Board.
6. The Corporate Secretary shall, on behalf of the President, ensure that all long-form audit report of the external auditor and the Internal Auditor's records are sent to the members of the Board. When new long-form audit reports have been issued, these shall be signed by all members of the Board at the following meeting of the Board.

H. Organization

1. The Board shall ensure a sound organization of ARDCI and shall, on the basis of proposals from the Management Committee, approve material changes to ARDCI's organizational and management framework and discuss the appropriateness thereof.

I. Management Committee

1. The Board shall institute a Management Committee composed of key Executive Officers of ARDCI.
2. The Management Committee shall seek the Board's approval of matters which fall outside the day-to-day management, including matters which, considering the affairs and size of ARDCI, are of an extraordinary nature or of great significance to ARDCI.

3. The Board shall issue rules of procedure of the Management Committee governing the duties, obligations, and responsibilities of the Management Committee, including communication and reporting obligations to the Board, specific authorizations within which the Management Committee may transact business and the risks, which the Management Committee is authorized to undertake on behalf of ARDCI and which requires the approval of the Board or a Committee of the Board. The rules of procedure shall be subject to annual review and approval by the Board.
4. Once every year, the Board shall define its material tasks in relation to financial and managerial control of ARDCI, including how the Board intends to supervise the work of the Management Committee, by reviewing the rules of procedure of the Management Committee, and determining the work schedule of the Board.
5. The Board shall, as part of the determination of the reporting obligations of the Management Committee, ensure that procedures are established to establish that the Board receives timely, accurate, and adequate reporting in order to enable the Board to perform its duties and to continuously assess the financial performance and risk position of ARDCI.

J. Policy for remuneration and overall guidelines on incentive pay

1. The trustees shall not receive any compensation, as such trustees, except for reasonable per diems; Provided, however, that any such compensation (other than per diems) may be granted to trustees by the vote of the members representing at least a majority of the membership at a regular or special general membership meeting.

In no case shall the total yearly compensation of trustees exceed ten percent (10%) of the net income before income tax of ARDCI during the preceding year.

2. The remuneration policy and the overall guidelines on incentive pay shall be adopted by the General Membership Meeting of ARDCI, either regular or special.

K. Conflict of interests and speculation

1. The Board shall ensure that ARDCI has adequate policies and guidelines to avoid to the extent possible any conflict of interests between ARDCI and any member of the Board, any member of the Management Committee, and any other employee of ARDCI.
2. The Board shall adopt guidelines on the prohibition against speculative activities and the reporting of investment in securities and financial instruments and similar transactions.

L. Insurance

1. In order to ensure adequate insurance coverage of ARDCI and its activities, the Management Committee shall once every year present to the Board an overview and an analysis of the insurance position and the insurance risks of ARDCI.
2. In addition to legal assistance provided by the insurance company, the Board may hire legal or other assistance at ARDCI's expense to defend ARDCI's and/or a member of the Board' interests if a claim is made or threatened by a third party.

M. Disclosure requirements and recommendations

1. The Board shall, on an ongoing basis, assess whether information shall be disclosed as company announcements, in the annual report, in the President's report at ARDCI's Annual General Membership Meeting, and/or in other ways.

V. Committees

A. Delegation and establishment of Committees

1. The Board may decide to delegate specific tasks or duties to the President or Vice-President.
2. The Board may decide to establish Committees of the Board in addition to those Committees established and mentioned below where the members of such Committees are appointed by the Board among its members.
3. Any such delegation or the establishment of any Committee shall not have any impact on the authority or the responsibilities of the members of the Board.

B. Audit Committee

1. The Audit Committee is primarily tasked with assisting the Board in the performance of its oversight of the responsibility for the financial reporting process, system of internal control, audit process and monitoring of compliance.
2. It will also have oversight authority over the company's internal and external auditors. It will accept and evaluate the reports of the external and internal auditors which in turn will prepare an independent report directly to the Board.
3. The committee shall consist of at least three (3) members of the board of trustees, at least two (2) of whom shall be Independent Trustees, including the Chairman, who preferably have accounting and finance backgrounds.

c. Risk Oversight Committee

1. The Risk Oversight Committee shall be responsible for the development and oversight of the risk management program of ARDCI Microfinance, Incorporated.

2. The committee shall consist of at least three (3) members of the board of trustees, at least one (1) of whom shall be Independent Trustee, including the Chairman.
3. The members of the risk oversight committee shall possess a range of expertise as well as adequate knowledge of the institution's risk exposures to be able to develop appropriate strategies for preventing losses and minimizing the impact of losses when they occur.

D. Corporate Governance Committee

1. The Corporate Governance Committee shall assist the Board of Trustees in fulfilling its corporate governance responsibilities.
2. It shall review and evaluate the qualifications of all persons nominated to the board as well as those nominated to other positions requiring appointment by the Board of Trustees.
3. The committee shall consist of at least three (3) members of the board of trustees, two (2) of whom shall be Independent Trustees, including the Chairman.

E. General matters relating to Committees

1. The frequency of meetings to be held by the Audit Committee, the Risk Oversight Committee, and the Corporate Governance Committee and any other Committee established for a specific purpose shall be decided by the relevant Committee subject to at least one (1) meeting per month by the Audit Committee and a minimum of four (4) meetings a year by the Risk Oversight Committee and a minimum of one (1) meeting a year by the Corporate Governance Committee.
2. A majority of the members of any committee shall constitute a quorum; provided, that for committees requiring independent trustee/s, at least one (1) independent trustee is present.
3. Minutes shall be prepared for the meetings of the Audit Committee, the Risk Oversight Committee, and the Corporate Governance Committee as well as any other Committee established. The minutes of any Committee meeting shall be read and submitted for approval of the Board in the immediately succeeding regular meeting of the Board.
4. Established Committees shall report to the Board and shall, within their respective areas of responsibility, make recommendations and proposals to the Board.
5. The Board shall, on an annual basis, assess whether the charters for any Committee established by the Board are adequate and compliant.

6. The Board shall consider and resolve whether other permanent or ad hoc Committees or special functions shall be established to undertake special assignments or functions in addition to the Audit Committee, the Risk Oversight Committee, and the Corporate Governance Committee.

VI. Composition, competencies, and other matters relating to the Board

- A. Once every year, the Board shall discuss and make an assessment of the relevant competencies of the Board. As part of these discussions, the Board shall (a) assess whether there are areas in which the competencies and knowledge of the Board and its members should be updated and whether it is composed in such a way that it can attend to its Board responsibilities, including taking care of its overall and strategic tasks, and (b) consider whether the Board has the appropriate size and competencies to meet the requirements of the overall business model and the activities of ARDCI and to ensure a constructive and efficient debate and decision-making process.
- B. The Board shall ensure a formal, thorough, and transparent process for selection and nomination of candidates to the Board. When assessing its composition and nomination of new candidates, the Board shall take into consideration the need for changes and for diversity in relation among other things to experience, gender, and age.
- C. New members joining the Board shall be given an introduction to ARDCI including meeting with the Executive Director and the Management Committee. The introduction shall be arranged by the Corporate Secretary.
- D. Each member of the Board is expected to ensure that he/she is able to allocate the time required to fulfill the duties as a member of the Board and is expected only to undertake other or additional positions if the tasks and duties of each such position can be carried out without interfering with or affecting the satisfactory fulfillment of the work and duties as a member of the Board.

VII. Assessment of the Board and the Management Committee

- A. The Board shall conduct a semi-annual evaluation of the performance and achievements of the Board and of the individual members. The Corporate Governance Committee shall be in charge of the evaluation of the Board and of the individual members and the outcome shall be discussed among the members of the Board. The procedure for the assessment of the Board and of the individual members and the outcome thereof shall be disclosed in the annual report.
- B. The Corporate Governance Committee shall annually evaluate the work, performance and results of the Management Committee and of the individual members in accordance with pre-defined criteria.

- C. The Board and the Management Committee shall establish a procedure according to which their cooperation is evaluated annually through a formalized dialogue between the Executive Director and the President and the outcome of the evaluation shall be presented to the Board.

VIII. Conflict of interests

- A. Each member of the Board and the Management Committee shall at all times ensure that his/her (and his/her related parties) private or professional interests – directly or indirectly – are not in conflict with the interests of ARDCI.
- B. A member of the Board or the Management Committee shall not participate in the preparation, discussions, or the decision making process concerning an agreement between ARDCI and the member in question or concerning legal proceedings between the member in question and ARDCI or an agreement between ARDCI and any third party or legal proceedings brought against any third party if the member in question has a significant interest therein that may conflict with the interests of ARDCI.
- C. The Board shall approve any agreement, account, or facility between ARDCI and a member of the Board or the Management Committee and any agreement, account or facility between ARDCI and a third party in which one or more members of the Board or the Management Committee may have a specific direct or indirect interest. Any member of the Board or the Management Committee having such interest in a matter shall be excluded from participating in the preparations, discussions, or decision-making process relating thereto.
- D. Any transactions approved by the Board in accordance with the above provision shall be entered into on arms' length terms and must be subject to and made on the basis of the relevant general terms of business for the transaction in question and prevailing market conditions.
- E. No member of the Board shall be entitled to commence or be engaged in any activity (as owner, director, employee, agent, consultant or the like) which might give rise to a potential conflict of interest, unless approved by the Board in writing prior to commencing such activity.
- F. Each member of the Board shall as soon as practically possible notify the Executive Director in the event that the member finds there are reasons to believe that his/her private or professional interests or those of its related parties – directly or indirectly – may conflict with the interests of ARDCI. In the event of any reasonable doubt as to whether there is a conflict of interests, the President may decide to defer the decision to the Board.
- G. Members of the Board and the Management Committee shall not conduct or be engaged in speculative transactions concerning shares and/or other securities issued by or relating to ARDCI.

IX. Confidentiality

- A. Members of the Board shall have a duty to keep confidential any information obtained in his/her capacity as a member of the Board and may under no circumstances, without permission from the Board, disclose information that come to their knowledge in the course of performing his/her duties as a member of the Board to persons outside of the Board and shall observe secrecy with respect to matters discussed at the meetings of the Board.

The duty of confidentiality shall also apply after the member resigns from the Board.

- B. The duty of confidentiality shall not merely extend to business and trade secrets, remuneration, etc. but to all information disclosed at meetings of the Board or otherwise obtained in his/her capacity as a member of the Board.
- C. Members of the Board shall keep all material provided to them in their capacity as members of the Board in a proper manner and return all such material upon resignation or confirm that it has been destroyed. A member of the Board of Trustees shall not be entitled to exercise a retention right or lien on such material.

X. Communication

- A. The Executive Director shall represent the Board externally. In matters of an extraordinary nature, the President shall represent ARDCI in its communication to the public unless the President delegates such authority to the Executive Director with regard to the specific matter.

In all other matters, the Executive Director (or his delegate) shall represent ARDCI in its external communication.

- B. No member of the Board may, without permission from the President, make any statement to or otherwise communicate with the public, including the press, in relation to ARDCI.

XI. Amendments

- A. The Code of Business Conduct and Ethics may at all times be amended by a simple majority of votes of the Board.
- B. A copy of the Code of Business Conduct and Ethics and ARDCI's Articles of Incorporation shall be provided to all members of the Board and the Management Committee as well as to ARDCI's external auditors and the Internal Auditor.
- C. When a new member of the Board is elected and joins the Board, the member shall, at the first-coming meeting of the Board, sign the Code of Business Conduct and Ethics.

- D. The Code of Business Conduct and Ethics shall be reviewed at least once every year to ensure that the codes are up-to-date, adequate and adjusted to ARDCI's activities and needs and applicable laws and regulations including the Code on Corporate Governance.