



**Policy Name: USA Surfing Gifts and Entertainment Policy**

**Policy Adopted: April 28, 2020**

**Applies To: USA Surfing Board of Directors, Staff, and “USA Surfing Team Members” (as defined herein)**

## **POLICY STATEMENT:**

### **Introduction**

In the course of an employee’s employment or a Board member’s tenure with USA Surfing, he or she may be offered a gift or invitation to a sporting event or other form of entertainment from individuals or companies that do business with, or are interested in doing business with, USA Surfing. Additionally, there may be times where it is in USA Surfing’s interest for an employee or Board member to offer a gift or invitation to an event to a third party. This Policy is intended to guide “USA Surfing Team Members” (defined below) regarding how to handle such situations.

In addition to gifts and invitations received by USA Surfing employees and Board members, this Policy applies to gifts and invitations to the employee’s or Board member’s “family members,” which includes spouse, child, stepchild, parent, sibling, domestic partner, parent of spouse/domestic partner and sibling and child of domestic partner and immediate family members (collectively “USA Surfing Team Member”). USA Surfing Team Members with questions or concerns about the giving or receiving of a gift should discuss that concern or question with the Ethics Officer.

This Policy should not be considered in any way as an encouragement to make, solicit or receive any type of entertainment or gift. Indeed, USA Surfing Team Members may not, under any circumstances, actively solicit any type of entertainment or gift. Further, USA Surfing will not under any circumstances permit or authorize participation in any business gifts or entertainment that might be considered lavish, inappropriate or illegal.

#### **A. Receiving Business Courtesies General Rules**

- a. **Current Business Partners:** USA Surfing Team Members may accept gifts from individuals and companies that currently do business with, or make donations to, USA Surfing as follows:

## USA Surfing Gifts and Entertainment Policy

- i. Partner/sponsor/supplier products and partner/sponsor/supplier-branded products (e.g., logoed jackets) with a total value of up to \$100 per USA Surfing Team Member, per year, per individual/company and \$400 per individual;
  - ii. other gifts with a value of not more than \$25 per USA Surfing Team Member, per year, per individual/company;
  - iii. invitations for the USA Surfing employee/Board member to attend sporting events with an individual/company representative (including travel to and from such events only to the extent approved in advance by the Ethics Officer);
  - iv. on an infrequent basis, invitations for a family member to join USA Surfing employee/Board member at a sporting event with an individual/company representative;
  - v. invitations to attend fundraising events with an individual/company representative at no cost to USA Surfing Team Member;
  - vi. invitations to attend other social, educational or entertainment events intended to enhance the business relationship, provided that the cost of the event does not exceed \$100 per USA Surfing Team Member per event and \$200 total per individual/company per year; and
  - vii. perishable or consumable gifts provided that the gift is reasonable and not unduly lavish.
- b. **Prospective Business Partners:** USA Surfing Team Members may accept gifts from individuals and companies that are not current business partners of USA Surfing, but that may or may not be seeking to engage in a business relationship with USA Surfing as follows: (a) gifts with a value of not more than \$100 per USA Surfing Team Member, per year, per individual/company; (b) invitations for USA Surfing employee/Board member to attend sporting events with an individual/company representative (but not travel to and from such events); (c) invitations to attend fundraising events with an individual/company representative; (d) invitations to attend other social, educational or entertainment events intended to promote the possible business relationship, provided that the cost of the event does not exceed \$100 per USA Surfing Team Member per event and \$200 total per USA Surfing Team Member per individual/company per year.

USA Surfing Team Members may accept gift certificates within the limits set forth in this Policy but may never accept cash or financial instruments (e.g., checks, stocks).

- c. **Disclosure and Approval:** All gifts or invitations falling under Sections 1(a), 1(c) 2(b) above and all invitations that involve the third party paying for USA Surfing Team Member's travel and/or overnight accommodations must be promptly reported to the Ethics Officer. Prior to accepting invitations to opportunities that include travel and overnight accommodations during business hours, written approval must be

## USA Surfing Gifts and Entertainment Policy

received from the USA Surfing Team Member's supervisor and, in the case of a Board member, the Ethics Officer.

Any potential gifts or invitations extended that exceed the limits and/or parameters noted above must be disclosed to, and approved in advance by, the Ethics Officer before they may be accepted.

In addition, the Ethics Committee shall have the right, in consultation with the effected USA Surfing Team Member, to require that any gift(s) be donated to USA Surfing or another agreed upon charity if the Ethics Committee believes that such gift(s) is not proper and/or creates an appearance of impropriety.

**Please Note:** The Gift Disclosure can be found on the USA Surfing Organizational Team Site in the Slack Application.

### **B. Extending Business Courtesies General Rules**

There may be times when a USA Surfing employee or Board member (for purposes of this section "USA Surfing Host") wishes, as a business matter, to extend to a current or potential USA Surfing business associate (i.e., an individual or company) a gift or an invitation to attend a social event (e.g., reception, meal, sporting event, or theatrical event) to further or develop a business relationship. In this case, gifts may not exceed \$100 per person per year, without the prior written approval of the USA Surfing CEO and the Ethics Officer.

Invitations to events must be reasonable and appropriate. Topics of a business nature must be discussed at the event, and USA Surfing Host must be present. Moreover, such business entertainment with respect to any particular individual must be infrequent, which, as a general rule, means not more than four times per year. Frequency beyond the foregoing must be approved in writing by the CEO and the Ethics Officer. All such business entertainment must comport with the code of conduct or code of ethics of the recipient's organization.

USA Surfing Team Members may give gift certificates within the limits set forth in this Policy but may never give cash or financial instruments (e.g., checks, stocks).

- a. Government Employees (U.S. & Foreign):** The giving of gifts to U.S. federal, state and local government employees is governed by a complex set of rules that are typically agency specific. Generally, the giving of gifts to government employees are very limited or prohibited. Before offering a gift to a government employee, you must receive the written approval of the Ethics Officer.

Business with or in foreign countries may sometimes differ from the United States, both in terms of common practice and legality. USA Surfing requires that all business matters be conducted in an ethical and legal manner. The giving of gifts to, and receiving of gifts from, foreign nationals or representatives of foreign governments is governed by a

## USA Surfing Gifts and Entertainment Policy

complex set of U.S. and foreign laws. Generally, the giving and receiving of such gifts is very limited or prohibited. Before offering a gift to a foreign national, you must receive the written approval of the Ethics Officer.

Under the U.S. Foreign Corrupt Practices Act of 1977, it's a felony under U.S. laws for USA Surfing or US Surfing Team Members, or anyone acting on its or their behalf to give, offer, promise or authorize a payment to a foreign official, foreign political party or official thereof, or any candidate for foreign political office, for the purpose of corruptly obtaining or retaining business for USA Surfing. U.S. law also makes it a felony to pay money or anything of value to a commission agent, sales representative or consultant when there is knowledge or firm belief that the payment will be used to corruptly influence a government official in connection with business USA Surfing is attempting to obtain or retain. Political contributions will not be made by or on behalf of USA Surfing in foreign countries. USA Surfing will observe the laws of foreign countries in which it operates concerning payments of agents' fees and commissions, provided these laws are not in conflict with U.S. law. You are not to engage in activities designated to circumvent foreign laws concerning retaining or paying sales representatives and consultants.

### **b. Disclosure and Approval**

All gifts or invitations must be in accordance with this Policy, USA Surfing's Employee Policies and USA Surfing Financial Policies and Procedures and Budget.

Any potential gifts or invitations extended that exceed the limits and/or parameters noted above must be disclosed to, and approved in advance by, the CEO and the Ethics Officer before they may be offered.

**Summary:** Generally, giving or receiving gifts or invitations are limited by rules set by USA Surfing, and USA Surfing Team Members are encouraged to seek advice if uncertain from either his/her supervisor or the Ethics Officer.

I have read and understand the USA Surfing—Gifts and Entertainment Policy:

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Name

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Signature

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Date