



Overview

Purpose To outline our commitment to high ethics and integrity in all business matters and to ensure all team members conduct themselves in the best interest of the company.

**Policy Owner/
Contact** Human Resources and Legal Departments

**Individuals
Covered** All team members of ARAG North America, Inc.

Revision History

Revision History			Administrative Review	
Version	Updater	Date	Reviewer	Date
1.7	Erin Barfels	01/01/2016	Ann Cosimano	01/01/2016

Policy Language

ARAG is committed to conducting business honestly and ethically with the best interests of the business in the forefront of all behaviors and actions. We expect and assume that same level of commitment from all of our team members, regardless of their level, role or tenure. In the event the ethics of an individual or group of individuals is called into question, this policy provides the Essentials against which the behavior can be measured as well as outlines the protocol for appropriate address and resolution of any shortcomings. A well-understood ethics policy necessitates the active participation and commitment of every ARAG team member.

While it is not possible to specify every action that may violate the expectations outlined in our Ethics Policy, it is the expectation that every team member work diligently to ensure they are always acting in the best interest of the company. Any behavior determined to be in conflict with this policy will be subject to appropriate disciplinary action up to and including termination. On an annual basis, all team members will be required to sign off on the Ethics Policy to ensure ARAG, as an Employer and Provider, remains an organization with the highest integrity and ethics in all we do.

Policy

The ARAG Essentials are derived from the Vision that “ARAG is the internationally recognized, independent partner for legal matters and protection”. Within the explanation of this vision is the concept of partnership “for a respectful, fair and results-oriented conduct with one another.”

Our Vision

ARAG is the internationally recognized, independent partner for legal matters and protection.



The ARAG Values

Openness

Our openness is apparent in our international orientation. Measuring ourselves against international standards is a matter of course of us. This means we openly and honestly seek comparisons. Openness also means constantly questioning our routines. We view changes as opportunities and respond rapidly and flexibly. Only through change can we improve ourselves.

Pioneering Spirit

We develop new markets by inspiring people with the quality of our services and turning them into customers. We understand our customers' needs and rapidly convert them into competitive offerings. To do this, we are not afraid to depart from the beaten track and commit our heart and soul to create new products and services for our customers.

Farsightedness

We think long-term. We are quick to identify future market opportunities and align our activities accordingly. We monitor business and social trends to understand their impact on our work and anticipate market trends more quickly than our competitors.

Discipline

Our work is characterized by professionalism. Each of us understands his or her responsibility for our enterprise. We consider the consequences of every action we take. We weigh the advantages against the disadvantages so that we can come to the right decisions. In this process, we are guided by customer expectations as well as our growth and profit targets. We understand that we must work efficiently and cost-effectively in order to remain competitive. We stand completely behind everything we say and do.

Drive

We are results-oriented, decisive and steadfast. Initiative is our most prominent characteristic. We share the conviction that passion and dedication are the foundations for success. Good teamwork requires the active participation of all individuals and the willingness to contribute their individual talents and skills to the performance community. We are driving our personal and professional development with ambition.

Fairness

The family and team members alike are committed to the enterprise. Each individual makes an important contribution to the welfare of our enterprise, and their individual commitment is vital to the overall success. To us, fairness means we respect one another, trust one another, and think outside the boundaries of our immediate duties. This is the only way we can fully exploit our potential.

ARAG asks team members to consider this policy a partnership. In order to be effective, this Ethics Policy requires the participation and support of every team member. While it is our individual responsibility to practice and promote the policy, the policy ensures our collective success.

ARAG Code of Conduct

ARAG team members are expected to abide by the following code of conduct:

- Be honest and ethical in their conduct, including ethical handling of actual or apparent conflicts of interest between personal and professional relationships.
- Comply with applicable government laws, rules and regulations.
- Maintain the confidentiality of information entrusted to them except when authorized or otherwise legally obligated to disclose.
- Deal fairly with customers, competitors and team members, always acting in the best interest of the company.



- Proactively promote a standard of excellence by becoming a responsible partner among peers in the work environment
- Treat all people in a manner which exemplifies integrity, fairness and respect.
 - Protect and ensure the proper use of company assets.
 - Prohibit improper or fraudulent use of executive or managerial influence.

I. Our People Make Our Culture

The ARAG Essentials provide a backdrop for the type of organizational culture ARAG North America strives for. Embedded in these principals is the fact that we will be an organization where team members have the right to be treated with respect and dignity in support of their opportunity to realize their potential. As such, we take very seriously the behaviors and actions that take place while conducting business.

Equal Employment Opportunity has been and will continue to be a fundamental principle at ARAG North America where all employment decisions are based upon personal capabilities, qualifications, and performance. In addition, ARAG recognizes the value in diversity of our workforce and actively seeks means to ensure we develop a workforce that represents a multicultural society. In support of this notion, we have written a comprehensive ***Equal Opportunity Policy*** that further outlines our position. Please refer to this policy for additional information.

We believe each person has the right to work in a professional atmosphere that promotes equal employment opportunities. ARAG will not tolerate verbal or physical conduct which harasses, disrupts, or interferes with another's work environment or which creates an intimidating, offensive, or hostile environment. Actions, words, jokes, comments, or other acts that are made based upon an individual's race, color, religion, sex, age, national origin, disability, pregnancy, genetic information, citizenship status, veteran status, sexual orientation or any other characteristic protected by federal, state or local law will not be tolerated.

All team members, regardless of their position, are covered by and are expected to comply with this policy, and to take appropriate measures to ensure that prohibited conduct does not occur. In addition to team members, this policy covers clients, vendors, or others who enter our workplace. For more complete information, please refer to our ***Harassment-Free Workplace Policy***.

Our ***Drug and Alcohol Policy*** outlines our position on abuse of these substances, and that in order to ensure a safe and productive workplace, ARAG prohibits the manufacture, distribution, dispensation, possession, use or suspicion of use of any illegal drug, alcohol, or controlled substance while on Company premises.

Our ***Workplace Violence Policy*** reinforces our commitment to preventing workplace violence and to maintaining a safe workplace (Workplace includes any place in which you are acting in the course and scope of employment - i.e. our offices, client/vendor sites, CPE, etc.). Conduct that threatens, intimidates, or coerces another team member, a client, or a member of the public at any time, including off-duty periods, will not be tolerated.

II. Confidentiality

ARAG is committed to protecting our business practices and our business partners. We hold our team members responsible to provide accurate, complete and objective information, to respect the confidentiality of others and to act in good faith and exercise care in all that we do.

In many cases team members will come in contact with or will be responsible for dealing with information of a confidential nature. In all cases, it is the expectation that team members will conduct themselves



with the utmost integrity when dealing with confidential information. In accordance with this tenant, ARAG requires every team member to sign the **Confidentiality Statement** upon accepting employment.

III. Conflict of Interest

Great care must be taken to avoid any real or perceived conflict of interest which would impair or jeopardize decision making or business practices. This includes anything that could potentially negatively impact someone's day-to-day performances or their ability to make sound and objective business decisions.

Business dealings that appear to create a conflict of interest between ARAG and a team member are not acceptable. A potential or actual conflict of interest occurs whenever an ARAG team member is in a position to influence a decision that may result in personal gain for the team member or an immediate family member (i.e., spouse or significant other, children, parents, siblings) as a result of ARAG's business dealings.

ARAG recognizes the right of team members to engage in activities outside of their employment that are of a private nature and unrelated to our business. As such, it is the responsibility of all team members to disclose any potential conflicts to Human Resources and/or Legal Departments, so that ARAG may assess and prevent conflicts of interest from arising.

Team members may not solicit or accept gifts of significant value (i.e., in excess of \$100.00), entertainment or other benefits from potential or actual customers, suppliers or competitors for their personal use/enjoyment without written manager approval. Anything valued above \$500 will require written approval by the team member's Executive member as well as the General Counsel or Chief Human Resources Officer. Team members may not solicit or accept a gift which would cause a real or perceived conflict of interest, in that it could impair or jeopardize decision making and/or business practices.

A team member may entertain potential or actual customers if such entertainment is consistent with accepted business practices, does not violate any law or generally accepted ethical standards as outlined in any of ARAG's policies.

Outside Employment

In order to prevent situations where an team member may experience conflict with the obligations and duties required of them as an ARAG team member as a result of outside employment, team members are encouraged to discuss outside employment with their manager. In general, the following guidelines should be used to determine if a potential conflict of interest may arise with outside employment.

Examples of when outside employment is not allowed include, but is not necessarily limited to those times when it:

- Prevents the team member from fully performing work for which he or she is employed at ARAG, including overtime assignments; or
- Involves organizations that are doing or seek to do business with ARAG North America, Inc. including actual or potential vendors or customers; or
- Violates provisions of law or ARAG's policies or rules; or
- Involves organizations that are in the same type of business, or direct competitors of ARAG North America Inc. or any of its subsidiaries.

Any questions as to whether outside employment could potentially be a conflict of interest should be directed to the Human Resources and/or Legal Departments.



Political Activities

Team members of ARAG North America, Inc. ("ARAG") are encouraged to be civic minded and to be community volunteers. Community involvement, however, could include political activities such as a team member becoming a candidate for public office or making financial and other contributions to political campaigns. Team members must be mindful that ethical and legal compliance requirements could come into play as a result of such activities.

ARAG has established a notification procedure for team members who wish to seek public office while holding a position with ARAG. In addition, ARAG has established procedures for team members to follow when making certain contributions to candidates for public office. These procedures apply to federal, state and local elections. The purpose of the notification procedure is to ensure that ARAG complies with all applicable campaign finance laws and avoids even the appearance of endorsing a particular candidate.

Please contact Human Resources with any questions.

I. Officeholder Notification Policy

Team members **are required to notify and receive pre-clearance in writing prior to running for or accepting public office (elected or appointed)** by completing the ***Notice of Intent of Political Activities***. The notification must be made in writing and submitted to the team member's supervisor and the Human Resources Department, both of whom must sign the request in order to confirm the pre-clearing for the team member to proceed.

Team members are responsible for ensuring they do not use work hours or work resources to participate in either their campaign for public office or for the campaign of another. It is also their responsibility to ensure that campaign activities do not result in a reduction of services to ARAG that are typical to their employment. In the event campaign activities result in absence from work in excess of benefits under the PTO Policy, any additional leave will be considered unpaid personal leave and subject to the ***Leave of Absence Policy***.

Team members seeking a public office may be subject to conflict of interest laws under applicable federal, state or local laws. Such laws, depending upon the jurisdiction, may restrict the ability of ARAG from lobbying or doing business with the specific governmental entity within which the team member holds office, or even with the entire jurisdiction. For this reason, an analysis of applicable conflict of interest laws will be part of the notification and pre-clearance process.

II. Corporate Contribution Restrictions

Federal law and the laws of many states prohibit corporations from making political contributions. Prohibited contributions include both monetary contributions and "in-kind" contributions, such as the company's payment for services, or the use of corporate facilities, resources or personnel, to benefit a candidate or political party committee. ARAG team members have the right to participate individually in the political process and to make voluntary contributions of their non-working time and money. This participation must not suggest ARAG's support and cannot be conducted during work time or involve the use of any ARAG resources, such as office space, supplies, computers, copiers, fax machines, postage, telephones or the services of any other ARAG team members. In addition, team members cannot make political contributions on behalf of ARAG, and ARAG will not in any way reimburse team members for such contributions.

III. "Pay-to-Play" Laws

Certain states and localities have special laws that prohibit companies from having government contracts



if a covered team member (and in some cases even a spouse or child of the team member) makes or solicits political contributions in that jurisdiction.

Thus, if your position is included in the list below, you must notify the Human Resources Department prior to making or soliciting political contributions at the federal, state or local level, including contributions to political parties or political action committees, or to a state or local official running for federal office in that jurisdiction. The Human Resources Department will then determine whether the proposed contribution can be made or solicitation performed without violating applicable law.

The covered positions are:

- Members of the Boards of Directors of ARAG and its subsidiaries;
- Executive officers of ARAG and its subsidiaries; and
- Team members of ARAG who deal with, or anticipate dealing with, state or local government agencies with regard to governmental contracts or agreements (such as soliciting or negotiating such contracts).

A team member in a covered position must also obtain prior approval for political contributions made or solicited by his or her spouse or dependent child in the jurisdictions listed below (if a state is listed, prior approval is required for both state and local contributions or solicitations; prior approval is also required for contributions or solicitations for state or local officials running for federal office in the listed jurisdictions):

--Colorado*, Connecticut, Illinois, Kentucky, New Jersey**, Pennsylvania, Rhode Island and Virginia.

--Los Angeles County Metropolitan Transportation Authority ("LA MTA").

* In addition to spouses and children, domestic partners and certain extended family members are covered (such as in-laws, parents and step-parents, grandparents, grandchildren, siblings and step-siblings, aunts and uncles, nieces and nephews, and guardians).

**The New Jersey pay-to-play law covers civil union partners in addition to spouses and children.

Nepotism

Members of a team member's immediate family will be considered for employment on the basis of their qualifications. Limitations involving immediate family members include, but are not be limited to, situations that meet the following criteria:

- Create a supervisor/subordinate relationship with a family member,
- Have the potential for creating an adverse impact on work performance; or
- Create either a perceived or actual conflict of interest.

For the purpose of this policy, immediate family includes: spouse or significant other, parent, child, sibling, in-law, aunt, uncle, niece, nephew, grandparent, grandchild, and members of household. Team members who become immediate family members or establish a romantic relationship may continue employment as long as it does not involve any of the above. If one of the conditions outlined should occur, attempts will be made to find a suitable position within ARAG to which one of the team members may transfer.

Management always reserves the right to use their discretion when making employment decisions that may be impacted by a family or other relationship in order to avoid a real or perceived conflict of interest. All team members have an obligation to report a relationship which may violate the provisions in this policy.



For more information on possible conflicts of interest, please refer to the ***Conflict of Interest Policy*** that addresses these issues in greater detail.

IV. Dishonesty and Fraud

The federal statute 18 U.S.C. Sections 1033-1034 states that it is a criminal offense for an individual who has been convicted of any felony involving dishonesty or breach of trust to willfully engage in the business of insurance. The Iowa Insurance Division stipulates that insurance companies licensed to conduct business in the State of Iowa must appropriately screen prospective team members to ensure that all team members are in compliance with this federal statute.

To ensure continued compliance with these regulations, ARAG, as an insurance company, requires all team members to submit to a criminal background check upon hire. Background checks for pre-employment purposes will include the following items, including but not limited to:

- Social Security Verification
- Criminal Checks – Federal and by local county
- Employment Verification
- Reference Checks

Candidates convicted of crimes, misdemeanor and felony, will not automatically be disqualified for employment; however, will be required to disclose their conviction on the application for employment.

ARAG has committed to the statute further by requiring all existing team members to submit to a background check every three years throughout the course of employment. In addition, it will be the responsibility and expectation of all ARAG team members to affirmatively notify Human Resources immediately of any felony or misdemeanor convictions during the course of their employment involving dishonesty or fraud.

Should an active team member be found to have a felony conviction involving dishonesty or fraud, their employment may be terminated in order to comply with regulatory requirements. Convictions for any other crimes, misdemeanor or felony, will be addressed and handled as determined appropriate. Corrective action may include discipline up to and including termination of employment. ARAG entrusts its team members on a daily basis with information and resources that, if put in the wrong hands, could potentially damage the Company. It is our expectation of every team member that they represent and conduct themselves with the utmost integrity at all times. There are positions that have access to financial records, banking accounts, cash accounts, systems, and/or equipment that could be used to harm ARAG's business. While ARAG proactively works to create internal controls and measures to prevent the willful neglect and or engagement in the following behaviors, there may be situations where these could occur.

Accounting and Auditing Violations: The unethical systematic recording and analysis of the business and financial transactions associated with generally accepted accounting practices. (Examples include: misstatement of revenues, misstatement of expenses, misstatement of assets, misapplications of GAAP principles, wrongful transactions, etc.)

Embezzlement: Embezzlement is to appropriate (as property entrusted in one's care) fraudulently to one's own use. (Examples include: bookkeeping errors, misapplication of funds, mishandling of cash, etc.).

Falsification of Contracts, Reports or Records: Falsification of records consists of altering, fabricating, falsifying, or forging all or any part of a document, contract or record for purpose of gaining an advantage, or misrepresenting the value of the document, contract or record.



(Examples include: time card padding, failure to report time taken off, misrepresentation of sales contracts, terms of contracts, etc.)

Sabotage, Vandalism or Transferable Pests: Destruction of an employer's property (tools, materials, equipment, and/or physical structure) or the intentional hindering of performance of business duties. (Examples include: equipment destruction, stealing, work slowdown, computer virus, deleting files, etc.). Employees shall advise ARAG immediately if bedbugs, lice or some other easily transferrable pest have been found in their home or any location where they resided for any period of time, such as a hotel. Given the risk of inadvertently contaminating a work space an employee that fails to notify ARAG immediately may be subject to discipline up to and including termination.

Theft: The act of stealing; specifically the felonious taking and removing of another team member's personal property with the intent to deprive the rightful owner of it. It also includes the unauthorized removal of company property and/or assets for failure to return company property and/or assets upon departure from ARAG.

Claims Fraud: the submission or assistance with the submission of a claim that misrepresents material facts with the intent to cause the company to pay something other than what the company is legally obligated to pay. Additionally, claims fraud can include the intentional payment of a claim to a person other than the person entitled to receive the claims payment. In addition to the remedies indicated below, a team member may choose to report suspected claims fraud to the Special Investigations Unit of ARAG.

In the event a team member becomes aware of any potential violation of the above circumstances as it relates to another team member, they should bring the information to the attention of the Chief Human Resources Officer or file an inquiry with the ARAG North America Ethics Hotline at 1- (888) 366-6022.

Additional Protections

As a Government contractor, ARAG commits to enforcing all relevant statutes and regulations required by the Government. Specifically, ARAG adheres to the government's zero tolerance policy regarding trafficking in persons. In the event, we determine human trafficking is occurring, appropriate action, up to and including termination and involvement of legal authorities will be taken.

Additionally, ARAG complies with the Whistleblower Protections under the American Recovery and Reinvestment Act of 2009.

If a team member has any questions or concerns as it relates to appropriate conduct, they should immediately contact the Human Resources and/or Legal Departments to obtain advice on the issue. In the event a formal investigation is required, team members are expected to participate as deemed appropriate by the Ethics Committee. If you feel this policy or any of the policies contained herein have been violated, please notify the Human Resources Department or file an inquiry with the ARAG North America Ethics Hotline at 1-(888) 366-6022 or via the [EthicsPortal](#)



**ARAG North America Inc.
Ethics Statement**

As a team member of ARAG North America Inc., I have an obligation to the organization I serve, to the general public, and to myself to maintain the highest standards of ethical conduct. I will not commit acts contrary to the standards outlined above nor will I condone the commission of such acts by others within the company.

I, _____, attest and agree to be bound by the foregoing standards. I have not been party to an action contrary to the policy as outlined that has not been previously disclosed. I also agree to report any future violations of the policy including any questionable behaviors not explicitly outlined in this policy, of which I have become aware to the appropriate parties. I do not currently have pending against me any criminal proceedings, nor have I been convicted of a criminal offense.

Signature

Date