

IMC USA Code of Ethics Rules of Procedure for Enforcement

I. General

- A. These Rules govern the procedures for enforcing the IMC USA Code of Ethics (the “code”) as adopted by the IMC USA Board of Directors.
- B. All members of IMC USA agree to abide by the Code of Ethics and to the provisions of this enforcement procedure.
- C. The purpose of these Rules is to provide a reasonable process for investigating and determining whether a member has violated the code, and to afford each individual member who is the subject of an investigation (the “respondent”) a full and fair opportunity to be heard throughout the process.
- D. It is the intention of the IMC USA membership that these Rules be carried out carefully but expeditiously in order to minimize the time during which a member may be subject to possible disciplinary action. Accordingly, time limits stated in these Rules are binding. Extensions may be granted by the IMC USA Ethics Committee or the IMC USA Board Chair for reasonable cause, upon written request.
- E. No person may participate in any proceedings on a complaint brought under these Rules if that person is or may be a witness or complainant in that case, or if his or her participation would otherwise create, or appear to create, a conflict of interest. The IMC USA Ethics Committee Chair may select a replacement for any person (other than a member of the Board of Directors) who is unable to participate in the case for this reason.

II. Jurisdiction

- A. All members of IMC USA are subject to the code and are subject to sanctions for any violations thereof which occur during their membership. A member may be subject to sanctions for a violation that continues while he or she is a member even though the conduct in question originated prior to admission to membership. A member is not subject to sanctions for infractions that ceased prior to becoming a member.
- B. If a complaint is made against a person who was a member at the time the alleged violation occurred, but who is not a member at the time the complaint is made, the complaint will be processed under these procedures only by written agreement of the former member. In no event shall a person be readmitted to membership if there is an outstanding and unresolved complaint against him or her for conduct occurring during the period of membership.
- C. The committee shall retain jurisdiction over an investigation of a respondent who, before the conclusion of the investigation, resigns from IMC USA or otherwise allows his or her IMC USA membership to lapse.

III. Responsibilities

- A. The IMC USA Executive Committee, upon recommendation of the Ethics Committee, is responsible for making an expeditious final decision on matters pertaining to the enforcement of the code, including, but not limited to, sanctions for the violation thereof. No current or former member may be publicly censured, have his or her certification or IMC honorary classification revoked, or be expelled without the approval of the IMC USA Executive Committee.
- B. The Ethics Committee is the committee of IMC USA responsible for assisting the Board of Directors in implementing these Rules and has the specific duties set forth hereinafter.
1. The Board Chair shall appoint one IMC USA member, who shall be a Certified Management Consultant, to serve as Ethics Committee Chair.
 2. The Ethics Committee shall consist of five or more members of IMC USA who shall be selected by the Ethics Committee Chair and approved by the Board of Directors.

3. Ethics Committee members shall serve for terms of two (2) years or until their successors are chosen by the Ethics Committee Chair and approved by the Board of Directors.

C. The Ethics Committee Chair will appoint a fact-finding committee, consisting of Ethics Committee members and others, as determined by the Ethics Committee Chair, to be responsible for conducting the investigation of a complaint of a violation of the code in accordance with these Rules. Members of a fact-finding committee shall serve until the conclusion of the investigation they were appointed to conduct, or until such later date as the Ethics Committee Chair may request.

D. The IMC USA Executive Director shall assist the Board of Directors and the Ethics Committee in enforcing the code and implementing these Rules. It is the responsibility of the IMC USA Executive Director to publicize the existence and importance of the code with IMC USA members, non-member management consulting professionals, and the general public.

1. The IMC USA Executive Director may privately advise members on the ethical implications of their conduct under the code. However, the opinion or advice of the IMC USA Executive Director shall not be binding on the Board of Directors, the Ethics Committee, or any fact-finding committee.

2. The IMC USA Executive Director may designate a member of the IMC USA staff to carry out any of the responsibilities assigned to the IMC USA Executive Director under these Rules.

E. All parties to any investigation, fact-finding activity, review, or hearing are to treat as confidential all information submitted, developed or received related to these proceedings. No substantive communications regarding the merits of the case or the evidence are to be made via email. Distribution of materials pertaining to the alleged violation and deliberations are to be made on a strict "need to know" basis to only those individuals directly involved or expressly authorized.

F. All parties to any investigation, fact-finding activity, review, or hearing will recuse themselves if they have the fact or appearance of a conflict of interest or inability to remain neutral.

G. The Executive Director shall establish and maintain a procedure to administer the ethics enforcement process, to include tracking receipt of complaints, maintaining records of deliberations, and documenting the decisions of the Ethics Committee.

IV. Sanctions

A. Sanctions may be imposed in accordance with these Rules upon members who are found to have violated the code. In determining the kind of sanction to be imposed, the following factors may be considered: the nature of the violation, prior violations by the same individual, the willfulness of the violation, the level of professional or public responsibility of the individual, and any other factors that bear upon the seriousness of the violation.

B. The following sanctions may be imposed singly or in combination at the conclusion of an investigation and/or hearing under these Rules:

1. *Private Censure.* A letter to the respondent and the complainant, indicating that the respondent has been found to have violated the code, that IMC USA disapproves of such conduct, and that, if it is repeated in the future, it may be cause for more serious sanctions. If the complainant is a nonmember, he or she shall be notified that the case was considered and resolved, and that no public action was taken.

2. *Public Censure.* Notification to the respondent, complainant, any appropriate professional governing bodies, and other entities, as appropriate, indicating that a violation of the code took place, that IMC USA strongly disapproves of such conduct, and the nature of the sanction(s) imposed.

3. *Revocation of Certification or IMC Honorary Classification.* A revocation of the Certified Management Consultant (CMC) designation or, if applicable, of the designation Fellow of the Institute of Management Consultants (FIMC), or any honorary classification awarded by IMC USA, such as life membership or life achievement awards.

4. *Expulsion.* A temporary or permanent revocation of the respondent's membership privileges.

C. Upon receiving documented evidence that a member has been found guilty after trial by a judge or a jury of criminal conduct, which constitutes a violation of the code and which occurred while the person was a member of IMC USA, the Board Chair shall immediately issue a notice of suspension of membership to that person by registered or certified mail and that person's membership shall be suspended as of the date of that notice. The Board Chair shall advise the Ethics Committee of any such action and shall refer the case to the Ethics Committee for investigation and adjudication. The Ethics Committee may commence an investigation in accordance with Part VI hereof, or it may defer proceedings until the person has exhausted all appeals or the time for appeal has expired. The suspension shall continue in effect until such time as sanctions provided under Part IV.B. are imposed, or the case is dismissed, in accordance with these Rules.

V. Initiation of Procedures

A. Proceedings against an individual for an alleged violation of the code may be initiated by the Ethics Committee Chair upon receiving a written complaint or other written information from any source alleging that a violation may have occurred. The complaint must be signed by the person or persons submitting such allegation or complaint and specify the actions or activities that gave rise to the alleged violation, the dates of the violations, the particular section of the code alleged to be violated, and how it was violated. Complaints are to be submitted to the Executive Director and, if alleged violations are properly documented, forwarded to the Ethics Committee Chair.

B. Upon receiving such a written complaint or information, the Ethics Committee Chair must ascertain whether it is sufficiently clear and complete to initiate proceedings, and, if so, whether it alleges conduct that may be a violation of the code. If the Ethics Committee Chair concludes that the complaint is not sufficiently clear or complete to initiate proceedings, he or she shall seek further clarification from the complainant or other source before taking any further action.

1. If the Ethics Committee Chair cannot determine whether the conduct alleged, if proven, might violate the code, he or she shall refer the question to the Ethics Committee for a ruling. No further action shall be taken with respect to the complaint or information unless the Ethics Committee rules that the conduct alleged, if true, may constitute a violation of the code.
2. If the Ethics Committee Chair concludes that the complaint is sufficiently clear and complete to initiate proceedings, and may, if proven, indicate a violation of the code, a copy of the complaint or information shall be forwarded by registered mail to the respondent named in the complaint or information. The respondent shall be informed at the time of the provisions of the code which he or she is alleged to have violated. The Ethics Committee Chair may also request that the respondent answer specific questions pertaining to the alleged violation.
3. The respondent shall be given thirty (30) days within which to respond in writing to the complaint or information, to provide any further information or material he or she considers relevant to the allegations, and to answer any specific questions asked by the Ethics Committee Chair.
4. As soon as the respondent's response is received, but in no event more than thirty (30) days after written notice of the alleged violation has been given to the respondent, the Ethics Committee Chair shall refer the case to the full Ethics Committee for proceedings in accordance with these Rules.

VI. Investigations

A. Upon receiving a case of an alleged violation of the code, the Ethics Committee shall commence an investigation into the allegations. However, no investigation shall be required if (1) the respondent admits to the violation in his or her initial response, or (2) the respondent has already entered a guilty plea, or has been found guilty and has exhausted all appeals, in a criminal case involving the same conduct.

B. In all cases other than those in which an investigation is not required, the Ethics Committee Chair shall appoint an IMC USA fact-finding committee to conduct the investigation. Except under exceptional circumstances, the fact-finding committee shall consist of a subset of members of the Ethics Committee.

1. The number of members to serve on the fact-finding committee shall be at the discretion of the Ethics Committee Chair, but the fact-finding committee shall consist of not less than three (3) IMC USA members, each of whom must be a CMC. No one other than an IMC USA member may serve on the IMC USA fact-finding committee.

2. A fact-finding committee must be appointed within fifteen (15) days of the determination that an investigation is required.
3. The fact-finding committee shall afford the respondent an opportunity to meet with one or more members of the fact-finding committee in person and may, at its discretion, afford such an opportunity to the complainant as well. The respondent may appear at such a meeting personally and may be accompanied by a representative. Alternatively, the respondent may appear through a representative. If mutually agreeable to the Ethics Committee Chair and the respondent, the meeting may take place through a telephone conference call.
4. The fact-finding committee shall prepare and maintain notes of all meetings and interviews with the respondent, the complainant, and any witnesses, and may request any such person to sign a statement prepared on the basis of those notes. The respondent shall be entitled to review these notes and statements, and any other documentary evidence gathered in the course of the investigation, and shall be afforded the opportunity to respond in writing thereto.
5. The fact-finding committee shall take all reasonable steps to ascertain the facts relevant to the case, including, but not limited to, interviews with witnesses, review of the respondent's submission(s), and examination of all published material judged to be relevant and reliable.
6. Within sixty (60) days of the appointment of the fact-finding committee, the investigation shall be concluded, and a written report of the committee's proposed findings of fact shall be sent to the Ethics Committee and the respondent. Each finding must be supported by reliable and relevant evidence that has been made available to the respondent for review.

VII. Decisions

- A. The Ethics Committee shall promptly review the fact-finding committee's proposed findings of fact and shall ascertain whether they are supported by sufficient reliable and relevant evidence.
1. All decisions of the Ethics Committee and fact-finding committee are to be based on a simple majority of a quorum of members. Voting may take place by conference call, at the discretion of the Ethics Committee Chair. For decisions all members of the fact-finding committee must be present and votes recorded.
 2. If the evidence is not sufficient, the Ethics Committee may either (a) dismiss the case; (b) return it to the fact-finding committee for further investigation in accordance with these Rules; or (c) refer the case to the Executive Committee for a hearing in accordance with part VIII of these Rules.
 3. If the Ethics Committee determines that the proposed findings are supported by the evidence, it shall determine whether they demonstrate that a violation of the code has occurred. If not, it shall dismiss the case and so advise the respondent, the fact-finding committee, and the Executive Committee.
 4. If the Ethics Committee concludes on the basis of the fact-finding committee's report that a violation has occurred, it shall determine the appropriate sanction(s). The Ethics Committee Chair shall then notify the respondent of its intent to adopt the fact-finding committee's report as final, and to impose the specified sanction(s) for the reasons stated, unless the respondent can show that the findings of facts are erroneous, or that the proposed sanctions(s) should not be imposed in light of certain mitigating factors which the Ethics Committee did not previously consider. The respondent shall have fifteen (15) days in which to submit a written response to the Ethics Committee and/or to request a hearing.
 5. In event that the respondent makes no submission, and does not request a hearing, the Ethics Committee shall promptly adopt the proposed findings and sanction(s) as final and so inform the Executive Committee.
 6. In the event that the respondent makes a written submission, but does not request a hearing, the Ethics Committee shall review the submission and may either adopt, or revise and adopt as revised, the proposed findings and/or sanction(s), as it deems appropriate. The Ethics Committee shall promptly notify the Executive Committee of its decision.
 7. In the event that the respondent requests a hearing, the Ethics Committee shall refer the case, including its recommended sanction(s), for a hearing before the Executive Committee. Hearings shall be conducted in accordance with part VIII of these Rules. If a respondent requests a hearing, no sanction(s) shall be imposed before the hearing is concluded.

B. Upon receiving notice from the Ethics Committee of its determination that a private censure is the appropriate sanction, and that the respondent has not requested a hearing, the Ethics Committee Chair shall send a letter of private censure to the respondent, with copies to the complainant. The case shall then be closed. No other notification of a private censure shall be made. However, IMC USA may publish the fact that certain kinds of conduct have resulted in the issuance of private censures, provided that no names or identifying details are disclosed.

C. Upon receiving notice from the Ethics Committee of its determination that a public censure, revocation, or expulsion is the appropriate sanction, and that the respondent has not requested a hearing, the Executive Committee may vote to adopt the recommended decision of the Ethics Committee, to modify said decision, or to dismiss the case without imposing sanctions. Voting by the Executive Committee may take place in person or by conference call and such voting shall be concluded within ten (10) days of notification by the Ethics Committee of its determination. The respondent shall be notified immediately of the decision of the Executive Committee and the sanction, if any, shall be implemented.

VIII. Hearings

A. These procedures shall govern all hearings conducted pursuant to these Rules.

B. No Board of Directors member, Ethics Committee member, or fact-finding committee member may hear any case if his or her participation in that case would create an actual or apparent conflict of interest.

C. Within ten (10) days of receiving a request for a hearing, the Ethics Committee Chair shall notify the respondent by registered or certified mail that a hearing has been scheduled before the Board of Directors. The hearing date shall be at least fifteen (15) days after the date the notice is postmarked. The notice shall also state that the respondent has the following rights:

1. To appear personally at the hearing;
2. To be accompanied and represented at the hearing by an attorney or other representative;
3. To review all documentary evidence, if any, against him or her in advance of the hearing;
4. To cross-examine any witness who testifies against him or her at the hearing; and
5. To submit documentary evidence, and to present testimony, including the respondent's, in his or her defense at the hearing.

D. The Board of Directors shall not be bound by any formal rules of evidence but may accord appropriate weight to the evidence based on its relevance and reliability.

1. The fact-finding committee's report shall be admissible evidence at the hearing.
2. The Board of Directors may not hear evidence of any alleged ethics violation by the respondent that was not the subject of the initial investigation.

E. At any hearing conducted under these Rules, the Ethics Committee shall first present evidence in support of its recommended decision. Upon conclusion of its presentation, the respondent shall have the opportunity to present evidence in his or her defense.

F. Within five (5) working days of the conclusion of the hearing, the Board of Directors shall render a decision in the case.

1. The decision shall be in writing and shall include a statement of the reasons therefore. Only evidence that was put before the Board of Directors may be considered as a basis for the decision.
2. The Board of Director's decision may be to:
 - a. Dismiss the case;
 - b. Adopt the findings and sanction(s) recommended by the Ethics Committee; or
 - c. Revise, and adopt as revised, the findings and/or sanction(s) recommended by the Ethics Committee. However, the Board of Directors may not increase the severity of the sanction(s) recommended by the Ethics Committee unless new evidence, not previously available to the Ethics Committee, is disclosed at the hearing, which indicates that the respondent's violation was more serious than previously revealed to the Ethics Committee. No sanction may be imposed for any violation of which the respondent had no prior notice.

3. A copy of the written decision of the Board of Directors shall be sent immediately by registered mail to the respondent, the Board of Directors, the Ethics Committee, and the Executive Director.
4. Promptly after receiving a copy of the written decision, the Executive Director shall implement the sanction(s), if any, imposed by the Board of Directors in accordance with these Rules.