

MODEL CODE OF ETHICS FOR AMERICAN SUBCONTRACTORS ASSOCIATION, INC. and AMERICAN SUBCONTRACTORS' ASSOCIATION OF NEW MEXICO MEMBERS

Background: Since its founding more than 60 years ago, the American Subcontractors Association, Inc. (ASA) has worked to improve the business environment in the construction industry. ASA has discussed educated on and promoted ethical industry practices. This includes developing and marketing a "Professional Standards of Practice for the Professional Subcontractor." In 2002, Congress enacted the Sarbanes-Oxley Act, which requires public companies to disclose whether or not they have adopted a code of ethics and other disclosures regarding such code. Subsequently, some publicly held companies have required their own service providers and suppliers to disclose their own code of ethics, whether or not required by the Sarbanes-Oxley Act. ASA has prepared this "Model Code of Ethics for a Construction Subcontractor" to help ASA members comply with both the letter and spirit of the Sarbanes-Oxley Act. ASA and ASA-NM members are urged to modify and adopt this model for their own use.

MODEL CODE OF ETHICS FOR _____ (Company Name)

Competition. _____ (company name) competes fairly for contracts, avoiding any price that might be construed to be in violation of the letter or spirit of the antitrust laws. The firm avoids any activity that could be construed as bid shopping or peddling. The firm does not knowingly violate any law or regulation governing the competitive process.

Qualifications. _____ (company name) seeks to perform contracts only for projects for which the firm has the technical competence and experience. The firm does not accept contracts for which it is not qualified. The firm assigns staff to projects in accordance with their qualifications and commensurate with the demands of the services to be provided under the contract.

Standards of Practice. _____ (company name) provides materials and services in a manner consistent with the established and accepted standards of the construction industry and with the laws and regulations that govern it. The firm performs its contracts with competence, reasonable care and diligence. The firm establishes prices that are commensurate with its services. It serves its customers with honesty and integrity.

Conflicts of Interest. _____ (company name) endeavors to avoid conflicts of interest, both corporate and individual. Where a corporate conflict exists, _____ (company name) will disclose such conflict to its customer or prospective customer. _____ (company name) regularly educates its staff about personal conflicts of interest and has established a procedure for internal disclosure.

Public Safety. _____ (company name) assures that the safety of its employees, the employees of others on the job site, and the general public are protected during the provision of its services.

Service Providers and Suppliers. _____ (company name) treats its service providers and suppliers in an equitable manner, assuring that they are provided clear direction and prompt payment for service provided. The firm does not knowingly violate any law or regulation governing such relationships.

Employees. _____ (company name) complies with the letter and spirit of laws relating to working conditions, equal employment opportunities, and pay practices. The firm does not knowingly violate any law or regulation dealing with employment.

Public Information. _____ (company name) assures that all public statements and disclosures it makes are truthful. The firm also protects the proprietary interests of its customers.

Compliance with Laws. _____ (company name) does not knowingly violate any law or regulation.

Image of the Construction Industry. _____ (company name) avoids actions that promote its own self-interest at the expense of the construction industry and upholds the standards of the construction industry with honor and dignity.

Internal Procedures. _____ (company name) has established internal procedures under which its failure to conform to the above practices will be handled. Each year, the firm reviews this code of ethics and its internal procedures with each of its employees. If an employee, customer or other individual becomes aware of a circumstance in which or an employee of _____ (company name) this firm fails to conform to the above standards, they should immediately report such circumstance to _____ (insert name and title of individual). _____ (Insert name of individual) will initiate an investigation of and otherwise resolve the reported issue.