Code of Conduct
A LETTER FROM THE PRESIDENT & CEO

Whether it’s providing our members with superior access to high-quality insurance programs, or advancing the public’s oral health at an affordable cost, all of us at Delta Dental of Arkansas are working hard to ensure that our company and its benefit offering is viewed as a role model in the healthcare industry. Just as important is how we achieve results – with integrity, with honesty, with transparency, without shortcuts and by operating ethically in all that we do.

Our Code of Conduct serves as our compass to help guide our behaviors and business decisions in our daily operations. This code reinforces our compliance with all applicable laws, rules, regulations and our company’s policies, standards and procedures.

Always feel free to talk with your supervisor or Human Resources representative or call the Compliance and Ethics Helpline (https://Renaissance.alertline.com or (800) 457-6254) with any questions you may have. Additionally, use our values and code of conduct to better understand how we’re all committed to delivering on our commitments ethically while continuing to grow our business.

Thank you for your dedication to our company, each other and our customers.

Best,

Ed Choate
President & CEO
TABLE OF CONTENTS

DECISION CHECKLIST ................................................................................................................................................. 3
INTRODUCTION .............................................................................................................................................................. 3
OUR MISSION ................................................................................................................................................................. 3
I. OUR COMMITMENT TO INTEGRITY ............................................................................................................................. 4
II. REPORTING VIOLATIONS OF THE CODE OF CONDUCT ......................................................................................... 4
   - Non-Retaliation
   - Ethics Hotline Contact Information and Alternative Ways to Report
   - Investigation
   - Action Taken for Breach of Ethics
III. CONFLICTS OF INTEREST ........................................................................................................................................... 6
   - How To Disclose a Potential Conflict
   - Potential Conflicts of Interest
IV. COMPLIANCE WITH LEGAL REQUIREMENTS AND ORGANIZATIONAL POLICIES AND PROCEDURES .................................................................................................................................................. 8
   - Treatment of Others
   - Program Quality and Quality of Service
   - Criteria for Company Sales/Purchases
   - Purchase/Sale Reciprocity
   - Accepting Money/Gifts/Entertainment
   - Giving Money/Gifts/Entertainment
   - Soliciting Money/Gifts/Entertainment
   - Payments to Customers and Suppliers
   - Preparation of Expense Reports
   - Antitrust Laws
   - Anti-Fraud
V. THE POLITICAL PROCESS AND GOVERNMENT RELATIONS ....................................................................................... 10
   - Compliance with Lobbying Laws/Regulations
   - Political Contributions
   - Direct Political Involvement
   - Attempting to Influence Government Officials
VI. EQUAL EMPLOYMENT OPPORTUNITY, INCLUDING PROHIBITIONS AGAINST DISCRIMINATION AND HARASSMENT .............................................................................................................................................. 11
VII. PROTECTING DDAR ASSETS ......................................................................................................................................... 11
   - Private Benefit
   - Unauthorized or inappropriate use or possession of DDAR property or equipment for personal or nonbusiness purposes is strictly prohibited.
   - Software Compliance
   - Electronic Communication and Information Systems
   - Research and Development
   - Protection of Brand and Social Media
   - Media Relations
VIII. PROCESS FOR ADDRESSING POTENTIAL OF ACTUAL .............................................................................................. 13
   - Safeguarding Company Assets/Funds
   - Our Obligations
   - Maintaining Company Records and Data
   - Access of Company Records and Data through Appropriate Channels
   - Access of Personal Data through Appropriate Channels
   - Technology and Information
   - Alteration and Misuse of Company Records
   - Trade Secrets/Confidential Information of Another Organization
   - Confidentiality Statements
IX. CONFIDENTIALITY OF INFORMATION ...................................................................................................................... 14
X. BOARD MEMBERS AS FIDUCIARIES ........................................................................................................................... 16
   - The Duty of Diligence
   - The Duty of Loyalty

PERIODIC REVIEW ........................................................................................................................................................... 16
CONCLUSION ......................................................................................................................................................................... 16

TO REPORT SUSPECTED IMPROPER ACTIVITY: Log on to the ethics hotline: https://Renaissance.alertline.com or Call the ethics hotline directly at (800) 457-6254.
Please review the Code of Conduct in its entirety. Additionally, feel free to use this decision-making checklist for further guidance:

☐ Have I verified the significant facts?
☐ Is it legal and ethical, and does it meet our internal requirements?
☐ Will my actions impact public or employee health or safety?
☐ Have I made a decision that feels right and is fair and just?
☐ How would it look in a newspaper or on the Internet?
☐ Could I explain it to my parents, children or spouse?
☐ How would my decision or actions be judged by others?
☐ Will I feel comfortable with my decision?
☐ If I’m not sure of something, have I asked for advice?

If you have questions or concerns about your responses to any item on the checklist, please talk with your supervisor or Human Resources representative if you are an employee. If you are a Director, please contact the Chairperson of the Board.

INTRODUCTION

Delta Dental Plan of Arkansas, Inc. (DDAR), a non-profit medical service provider, licensed as a corporation in Arkansas, is committed to improving the health of Arkansans. To fulfill our mission, we must all commit to legally responsible and ethical behavior.

Our Code of Conduct provides written standards of conduct and guidelines for all DDAR’s employees and the members of the Board of Directors.

This document outlines the fundamental principles and values of DDAR and reinforces our commitment to ethical, honest and morally responsible behavior in carrying out our business.

Our Code of Conduct addresses not only DDAR’s commitment to comply with all federal, state, and local laws and applicable regulations, but also describes broad principles that guide all of us in conducting business in an ethical and professional manner.

Please carefully read the entire document. If you have any questions or need any parts clarified, please contact your supervisor if you are an employee. We encourage Board Members to contact the Chairperson of the Board if you have questions or concerns. These are our guiding principles, and we ask that each person associated with DDAR understand and follow them.
I. OUR COMMITMENT TO INTEGRITY

The reputation of DDAR is a valuable and strategic business asset, and DDAR is committed to conducting its affairs with honesty and integrity. For that reason, you should avoid activities that could:

- Affect adversely the independence and objectivity of your judgment in the performance of your work with and responsibilities to DDAR
- Discredit the organization
- Conflict with the organization's best interests
- Give the appearance of creating a conflict of interest
- Disclose proprietary or confidential information to the organization's competitors, the public or any third party without appropriate authorization

You must also conduct yourself in a manner that ensures any conflict of interest that may impact your decisions and activities on behalf of DDAR are disclosed as described later in this Code of Conduct.

We all have a responsibility to:

- Comply with all laws, regulations and DDAR policies and procedures
- Protect the privacy of members and participating providers
- Guard the confidential and proprietary nature of DDAR information
- Respect the requests of others for confidentiality (unless maintaining that confidence would violate applicable law or otherwise violate DDAR policies and procedures)

This Code of Conduct establishes the minimum goals and describes guidelines to cover the most common and sensitive areas for DDAR. However, it cannot cover all circumstances. It is our own personal integrity that is the most important factor in maintaining business standards for the company.

This Code of Conduct describes some of the more common types of ethical behavior that are expected from all of us. This Code of Conduct is intended to help you choose the proper action for yourself and to guide you in handling situations if you believe someone else in the organization may be acting unethically.

II. REPORTING VIOLATIONS OF THE CODE OF CONDUCT

This section describes how you can report suspected improper activities, serious or substantial violations of DDAR policy and/or other improper activities that may be identified following a review or investigation.

Non-Retaliation

DDAR strictly prohibits retaliation against you if, in good faith, you report that you believe DDAR or any of its employees, Officers, Senior Managers or Directors have violated or failed to comply with any legal, regulatory, ethical, or organizational requirements, or because you have sought guidance on any of these types of issues.

You are free to report, without fear of retribution, improper activities such as: fraud, abuse of authority and violations of law or corporate policy.

It’s up to you to ensure that DDAR’s policies and government regulations are adhered to. Any written complaint you may have regarding alleged retaliation against you for having made a protected disclosure or for having refused to take some action that is illegal is to be immediately reported to DDAR’s ethics hotline:

https://Renaissance.alertline.com or (800) 457-6254.

While DDAR cannot retaliate against you for disclosing or reporting suspect activity, intentionally filing a false report, whether orally or written, is itself considered an improper activity which DDAR has the right to act upon.

Ethics Hotline Contact Information and Alternative Ways to Report

DDAR contracts with a third-party independent vendor to operate the ethics hotline. You can use the ethics hotline to report any activity that you believe may constitute a legal or regulatory violation by DDAR or any of its employees, Officers, Senior Managers or Directors. And, the contact can remain anonymous if you prefer.

To report suspected improper activity:

- Log on to the ethics hotline: https://Renaissance.alertline.com
- Call the ethics hotline directly at (800) 457-6254.
In addition to being able to submit a report to DDAR’s ethics hotline, internally you can report a claim regarding Senior Management or Officers, including the CEO or any Director of the Board, by following this protocol.

- **Senior Management**: It can be referred to the CEO for appropriate action, which may include disciplinary action.
- **CEO, Officer or any Director (other than the Chair)**: It can be referred to the Chair of the Board (whose name, address and telephone number can be obtained without question from the DDAR Director of Human Resources), who will follow the process described in Section IX below if the matter involves a potential conflict of interest.
- **Chair of the Board**: It can be reported to the CEO.

A Director who believes that another Director, or a manager, contractor, employee, or non-employee with whom DDAR has a business relationship, is acting in a way that may be illegal, fraudulent, dishonest or unethical, or that violates any part of this Code of Conduct, must promptly report the matter to either the DDAR ethics hotline or to the Chair of the Board of Directors, the CEO, or the Chair of the Governance Committee of the Board.

### Investigation

Someone who reports a potential violation will be asked to provide initial information related to their belief that an improper activity has occurred. The motivation of the individual making a claim is irrelevant to the consideration of the validity of the allegations.

All information will be investigated as appropriate. Individuals who report a concern and identify themselves may receive a report of the investigation results, if requested, as long as it is appropriate to provide it. This gives you a way to report important matters that you believe will not be properly handled any other way or to receive guidance and support about legal and regulatory compliance issues.

To help promote confidentiality, all facts concerning any report will be kept confidential from anyone who does not have a legitimate need to know about them. This includes who made the report, the identity of the person(s) about whom the report was made, and the identities of and information received from any witnesses.

TO REPORT SUSPECTED IMPROPER ACTIVITY: Log on to the ethics hotline: https://Renaissance.alertline.com or Call the ethics hotline directly at (800) 457-6254.
Code of Conduct

Action Taken for Breach of Ethics

In the event violations of DDAR policy, law or other improper activity are identified, the appropriate department(s) within DDAR will be informed, and the incident will be fully investigated. Corrective action may be taken, based on DDAR policy and this Code of Conduct.

This Code of Conduct is important to the reputation and success of DDAR and must be taken seriously by all of us. Violations will not be tolerated. Anyone found to have violated this Code of Conduct will be subject to disciplinary measures, which may include termination of employment, required reimbursement of losses or damage, or referral for criminal prosecution and/or civil action.

III. CONFLICTS OF INTEREST

In the course of performing your work or while otherwise representing DDAR, it is your responsibility to avoid any situations, obligations or relations, which could improperly influence or appear to influence your judgment. Your role within DDAR may have a direct bearing on what constitutes a conflict of interest. You must disclose all situations in which you may have a potential conflict of interest.

How to Disclose a Potential Conflict

It is important to understand that disclosing a potential or actual conflict does not necessarily mean there is a disqualifying or actionable event. Full disclosure of all potentially relevant facts is expected and required. Additionally, removing yourself from decision-making is expected and required if there is an actual or potential conflict of interest.

• DDAR Employee

As an employee, you must disclose the scope of the potential conflict to your immediate supervisor.

• DDAR Directors, Officers and Senior Managers

Officers and Senior Management must annually disclose in writing any potential or actual conflict(s) of interest. Directors must annually disclose to the Board’s Governance Committee, in writing, any potential or actual conflict(s) of interest. Officers, Senior Managers and Directors have a continuing duty during the year to promptly amend the disclosure statement to disclose any change in interests or relationships that may occur, subsequent to any annual filing.

If an Officer, Senior Manager or Director fails to complete and file with DDAR an annual or amended disclosure statement as required by this section, that person may be prohibited from attending and participating in Board and committee meetings until the documents are completed and filed.

Potential Conflicts of Interest

Below are some examples of specific conflicts of interest, but if you ever have a question, please ask.

Outside Financial Interests

You must avoid personally investing a substantial interest in any company or organization that is a competitor, customer or vendor of DDAR, and where such an investment could influence (or appear to influence) your decisions or actions in the performance of your duties.

A “substantial interest” in another company or organization that is a competitor, customer or vendor includes, but is not limited to:

a) Interest as an owner, partner, director, trustee or officer, or as a lender or borrower (except from a financial organization) of the other business organization

b) Interest as an investor in the other business organization in an amount in excess of 5 percent of your net worth, or of the ownership of the other business, whichever is smaller

Doing Business with Friends/Relatives

If DDAR does business with your friends or relatives, you must ensure that the interests of DDAR are the basis for any choice or decision and not the basis of commitments to friends or relatives. When doing business with friends or relatives, you must disclose the scope of this situation to his or her immediate supervisor.
Accepting Business Gifts/Hospitality
If you are in a position of buying, specifying or otherwise participating in the choice of products, supplies or services on behalf of DDAR, you must remain free of any influence of any supplier. You must not accept payments, gifts, tickets to events or trips from any supplier if accepting them in any way influences your decisions.

Public and Community Service
DDAR encourages you to participate and serve on public bodies, such as school boards, local governmental units, hospital boards and community groups. However, you must represent the best interest of the people or groups you are serving in that capacity and not attempt to represent DDAR’s interests or viewpoints — unless you are specifically authorized to do so by DDAR.

Employee Outside Jobs/Activities
If you are an employee, you must not engage in any business consulting arrangements or other business activities that affect your ability to effectively perform your duties or that conflict with or compromise DDAR. You must disclose all outside jobs/activities to your immediate supervisor, which will be reviewed on a case-by-case basis. If unresolved, conflicts pertaining to your outside activities may lead to termination of employment.

Employee Placement/Family Conflicts of Interest
Relatives of employees may be considered for employment, based on their qualifying education and experience. However, when hiring a relative would result in "prohibited employment relationships," DDAR will not consider the person for employment.

Immediate family members of the President/CEO or immediate family members of a member of the Board of Directors may not be considered for employment by DDAR.

Hiring relatives is prohibited if employing the individual would result in the creation of:

- A supervisory or managerial relationship. In this situation, relatives of a currently employed worker cannot be considered as candidates for an open position.
- An actual conflict of interest or the appearance of a conflict of interest. Generally this bars the hiring or employment of an employee’s relatives in any position that has an auditing or controlling relationship to the employee’s job.

Relatives may be considered for employment. However, if you are an employee, you may not be placed in a position reporting directly or indirectly to a relative in a position where the relative may exercise authority over you.

If a close relative or family relationship subsequently arises, DDAR reserves the right to make any changes in placement or employment to avoid potential conflicts.

Any exceptions to this policy must be approved by the President and CEO of DDAR, and the President and CEO of Renaissance Health Service Corporation.

Dating and Fraternizing
Employees in a supervisory capacity (including, for example, Board members, executives, directors, managers, supervisors, or team leads) are required to keep relationships with employees on a strictly professional basis in situations where the supervisor may give directions or assignments, discipline, review performance, or recommend promotions or raises. Employees holding supervisory roles are not permitted to engage in a romantic relationship with any employee that may report, either directly or indirectly, to them in their supervisory role.

Should a romantic relationship develop, it is the responsibility and mandatory obligation of the supervisor to bring the fact of the relationship to the attention of someone at a level of management that is higher than both individuals involved. The non-supervisory employee involved in the relationship may make the disclosure as well, but the burden of doing so is on the supervisor.

In the event that a relationship develops, DDAR will take whatever action it deems necessary and appropriate to protect DDAR's interest, including termination of employment. At a minimum, the supervisor and employee will not be permitted to work together on the same matters (including matters pending at the time of the disclosure), and the supervisor will be required to withdraw from participation in activities of decisions relating to the non-supervisory employee, including hiring, evaluations, promotions, compensation, work assignments and discipline.
DDAR does not have a policy against dating between non-supervisory coworkers. However, all non-supervisory employees who choose to date a coworker should be aware that if a complaint of sexual harassment is subsequently filed, it may be difficult for the accused employee to disprove the charge by claiming that the relationship was of mutual consent. If at any time a dating situation, requests for dates or other romantic pursuit between non-supervisory coworkers becomes unwelcome, interferes with either employee’s work environment or the work environment of other employees, upon notice, DDAR will intervene to stop such conduct, including termination of one or both employees involved.

IV. COMPLIANCE WITH LEGAL REQUIREMENTS AND ORGANIZATIONAL POLICIES AND PROCEDURES

You are responsible for complying with state and federal requirements impacting the functions and duties you are responsible for performing. You are also accountable for complying with DDAR’s policies and procedures. If you have a question about any legal, regulatory, ethical or organizational requirement relating to DDAR, you should contact your supervisor, an Officer or DDAR’s CEO. You must promptly report any suspected noncompliance with any state, federal or organizational requirements to your supervisor, an Officer or the CEO.

Noncompliance with legal, ethical or organizational requirements, or the failure to report suspected noncompliance, may subject you to discipline, including immediate termination.

DDAR’s success is dependent upon its relationships with its customers, dentists and suppliers. DDAR will conduct its business dealings with these groups in a fair, lawful and honest manner. It is recognized that such dealings could be sensitive, both from legal and ethical standpoints.

Treatment of Others

All customers, dentists and suppliers are to be treated fairly and honestly, with no consideration or gifts given in exchange for service or business. Customers and participating dentists are to be treated in accordance with DDAR’s contractual obligations. Suppliers are to be paid fair compensation as contracted or agreed upon. In addition, all of these groups are to be treated in accordance with specific procedures and standards of service established by management.

Program Quality and Quality of Service

DDAR is committed to providing quality benefit programs that encourage the delivery of needed care to subscribers. DDAR strives to deliver these programs at the best possible price and to provide quality administrative services to customers, dentists and subscribers. It is your responsibility to help DDAR achieve these goals through your individual efforts.

Criteria for Company Sales/Purchases

You are to employ the highest ethical business practices in source selection, negotiation and administration of all purchasing activities. Suppliers are to be selected in an impartial manner. Sales and purchases are based on price, product quality and service. Whenever possible, materials, supplies, equipment, consulting and other services should be obtained from qualified suppliers at the lowest cost, unless requirements for quality, performance and/or the supplier’s ability to meet delivery schedules dictate otherwise.
Purchase/Sale Reciprocity

Business relationships that exist between DDAR and outside firms may be taken into consideration when making a purchasing decision, but only in conjunction with other factors relevant to that decision. If you are in the position of buying, specifying or participating in the choice of products, supplies or services, you must not be unduly pressured to select suppliers solely because they are customers. In addition, you must not suggest or imply to any suppliers or customers that purchases by DDAR are dependent upon the purchase of a DDAR program by that supplier or customer. Regarding entertainment, it is permissible for you to foster business relationships through treating a customer, supplier or dentist to lunch or dinner if these occasions do not occur excessively with any one individual and that you are present at the event.

Accepting Money/Gifts/Entertainment

Except for items that are clearly promotional, have nominal value and not intended to evoke any form of reciprocation, you are not to accept cash, gifts, unusual hospitality or entertainment, loans, anything of value or any other preferential treatment from current or potential suppliers, customers and dentists. As part of this provision, it is not acceptable for you to allow a dentist to waive the co-payment you owe for dental services that you or your family members receive.

This is not intended to eliminate the acceptance of such nominal items as a calendar, note pad, pencil or coffee mug bearing the identification of the sender. It does mean that accepting items that are above the nominal promotional level is not permitted. Items that may be shared by a department (e.g., a holiday food basket) may be accepted. However, cash and gift certificates cannot be accepted. If there is a question about whether an item is acceptable or not, employees should contact their immediate supervisor and Board Members should contact the Board Chairperson.

Regarding entertainment, business-related invitations to engage in recreational activities, such as golfing or sporting events, may be accepted on an infrequent basis. Travel and lodging may not be accepted by you, your spouse, relative friend or any other person unless approved by your immediate supervisor, if you are an employee, or by the Board Chairperson if you are a member of the Board. It is permissible to accept a lunch or dinner from a customer, supplier or dentist, provided that these occasions do not occur excessively with any one individual and that the customer, supplier or dentist is present at the event.

Giving Money/Gifts/Entertainment

The policy covering the acceptance of money, gifts and entertainment essentially applies to your giving of those items also.

You are not to seek a competitive or other advantage through the use of cash, gifts, unusual hospitality, entertainment or other favors. However, nominal cost items, such as those used for company-approved sales promotions or publicity, may be distributed.

Regarding entertainment, it is permissible for you to foster business relationships through treating a customer, supplier or dentist to lunch or dinner provided that these occasions do not occur excessively with any one individual and that you are present.

Tickets to some sporting events are purchased by DDAR for the purpose of business entertainment. These tickets are distributed widely, as directed by your immediate supervisor, with no one customer, dentist or vendor receiving an excessive number of tickets.

Soliciting Money/Gifts/Entertainment

Solicitation of any item, regardless of value, for personal or charitable purposes is not permitted unless this activity is officially sponsored and/or approved by DDAR.

Payments to Customers and Suppliers

No payments are to be made by DDAR or you to any customer or supplier to realize higher or lower prices for DDAR or to influence a sale.

Preparation of Expense Reports

If you incur business expenses in the performance of your duties, those expenses must be reported accurately, in a timely and honest manner and in accordance with DDAR’s procedures. The submission of a false expense report is considered to be a misappropriation of funds.
Antitrust Laws

Antitrust laws are designed to protect market competition in products and services. They cover all domestic transactions as well as some foreign transactions by U.S. businesses. Some of the most common antitrust problems involve pricing, boycotts, professional/trade association activity and reciprocity, and tie-in sales.

The antitrust laws may be broadly described as statutes, which regulate the competitive conduct and relationship of businesses. The object of these laws is to promote and protect competition so that the private enterprise system will work. They recognize that certain restrictions on individual freedom are necessary in order to maximize the freedom of all.

If in your role with DDAR there are potential antitrust concerns, you will receive specific information about these particular concerns. You must comply with the antitrust laws because violations may have far-reaching effects on DDAR and you as an individual. Such violations damage DDAR’s reputation, may result in large fines and orders restricting our operations, and may subject the company to significant damages.

Anti-Fraud

DDAR has adopted an Anti-Fraud Plan and related anti-fraud policies designed to assist us in detecting and preventing fraud and abuse. A copy of the Anti-Fraud Plan is available from the Compliance Department. For questions regarding applicable fraud and abuse laws and anti-fraud policies, or to report instances of abuse, please contact the Compliance Department or the Ethics Hotline:

https://Renaissance.alertline.com or (800) 457-6254.

V. THE POLITICAL PROCESS AND GOVERNMENT RELATIONS

It is in our best interest to regularly provide governmental units with information and business opinions on many subjects. Representatives of DDAR also make the company’s position known, within appropriate ethical and legal boundaries, on issues that affect our operations, our employees and those communities in which we operate. The following are some specific issues that have a bearing on your involvement as a part of DDAR in the political process and governmental relations.

Compliance with Lobbying Laws/Regulations

Those who represent the company in political and governmental matters must comply fully with all laws regulating corporate participation in public affairs.

Political Contributions

DDAR makes no political contributions, directly or indirectly, in support of candidates for federal office. Employees and members of the Board will not be pressured to make a personal political contribution to any local, state or federal office.

Direct Political Involvement

As a matter of policy, DDAR encourages you to individually participate in political activities on your own time and in your own way. You are free to engage in political activities but not on behalf of DDAR unless specifically authorized to do so.
Attempting to Influence Government Officials

DDAR is legally prohibited from promising or giving money, gifts, loans, rewards, favors or anything of value to any government official or employee to try to influence that official or employee’s judgment in conducting his or her governmental duties. You are specifically prohibited from such acts.

In addition, you are prohibited from making payments of any kind to agents or other intermediaries where you know (or have reason to know) that those agents or intermediaries will pay all or any part of such payments to accomplish what you are prohibited from doing directly.

VI. EQUAL EMPLOYMENT OPPORTUNITY, INCLUDING PROHIBITIONS AGAINST DISCRIMINATION AND HARASSMENT

DDAR is committed to the principles and practices of equal employment opportunity that will enable the organization to develop and maintain a highly qualified, culturally diverse workforce capable of responding to the changing needs of our business.

DDAR does not discriminate in employment on the basis of race, color, gender, national origin, religion, age, disability, sexual orientation, veteran status, or any other status protected by applicable federal, state or local laws. DDAR will not tolerate any harassment of employees, applicants for employment, contractors, plan members or participating providers.

DDAR’s policies regarding equal employment opportunity, including prohibition against discrimination and harassment, is described in more detail in the DDAR Employee Handbook.

VII. PROTECTING DDAR ASSETS

To ensure compliance with licensing, copyright and patent law, and to protect DDAR’s tangible and intangible assets, including its reputation, the company’s assets must not be misused. Records, funds, technology, data and other assets are a very important part of our everyday business. These items, which are developed and maintained by us in our various duties, are the exclusive property of DDAR and must only be used for those duties and responsibilities assigned to us. You are expected to handle these assets in accordance with standard business rules and DDAR policies and procedures. Any misuse or intentional mishandling of assets is strictly prohibited.

Private Benefit

DDAR permits the reasonable use of its property, equipment or technology (including items, which are created by you) for personal or non-company purposes. DDAR does not permit possession of its property, equipment or technology without the authorization of the Vice President responsible for the property or equipment. For example, this applies to the use of equipment such as fax machines and scanners, which are to be used only for business purposes.

You must not use company property or funds for your own personal benefit. The unauthorized removal of material, equipment or supplies belonging to DDAR is considered to be theft. Also, you are expected to report immediately any instance when you have access to information or technology that is not part of your normal duties. Use of such unauthorized information or technology is strictly prohibited.

If you are on leave, transferred, terminated or resign (or as a Board Member your term of service concludes), you must return any company property that is in your possession. In addition, you must not remove any property from work locations, unless authorized.

Unauthorized or inappropriate use or possession of DDAR property or equipment for personal or non-business purposes is strictly prohibited.

Furthermore, you may not accept free or discounted materials or services from a vendor offered as a result of a sale made to DDAR.

Software Compliance

DDAR will not tolerate the illegal duplication and/or distribution of any copyrighted material. The copyright holder is given certain exclusive rights, including the right to make and distribute copies. If you make, acquire or use unauthorized copies of copyrighted material, you will be disciplined as appropriate under the circumstances, up to and including termination of employment if you are an employee or if you are a member of the Board you could be sanctioned by the Board. This would include material developed and copyrighted by DDAR.
Electronic Communication and Information Systems

Except to the extent specifically allowed under the “Private Benefits” section above, computers, software, electronic mail and voice mail are assets of DDAR and must be used only for business purposes.

DDAR has the right for any reason or for no reason at all to access any information contained in its computers, electronic mail and voice mail. Because DDAR can be held legally responsible for the content of its information systems, you cannot expect that any such information is private.

Research and Development

Any inventions, intellectual property or proprietary information developed by you during your employment or while serving as a member of the Board, as applicable, while using DDAR time, information, equipment or facilities is owned by the company.

Protection of Brand and Social Media

Any use of the Delta Dental brand must be scrutinized in order to ensure only authorized use. You have a unique responsibility to ensure that your activities support and protect the Delta Dental brand. Questions concerning appropriate usage of the Delta Dental brand should be directed to the CEO.

DDAR recognizes that social media is changing how we work and engage with others. For the purpose of this Code of Conduct, “social media” includes all personal websites and all forms of online community activities including social networks (such as LinkedIn, Facebook and Twitter), blogs, message boards, chat rooms and any additional forms of web-based or smart phone communication developed.

Be sure that all information and images relating to DDAR that are posted on social media sites are consistent with the quality of your work and reflect our values and professional standards. All of your online behavior should be consistent with your role as a representative of DDAR. Copyright, fair use and disclosure laws also apply to social media.

It is important to note that multiple aspects in this Code of Conduct also apply when engaging in social media, including HIPAA, handling confidential information, trade secrets, relationships with customers, treatment of others and copyright laws.

It is always critical to keep our two primary dental brands separate, including in the virtual world. We should never:

- Jointly place the Delta Dental name/logo with an Omega Administrators name/logo on any external communications, for example, proposals, brochures, letters, signs, or ads that will be used externally.
- Use the Delta Dental name to directly promote non-Delta Dental products.

Failure to abide by these guidelines could result in serious fines and potentially jeopardize our use of the Delta Dental brand.

Maintaining the above guidelines relating to social media is your responsibility. If these guidelines are intentionally or unintentionally violated, you may be asked to correct, edit or remove a post from your blog or social media accounts.
Media Relations

Only DDAR officials and appropriate management or their designees are authorized to communicate with members of the media and/or post on DDAR’s behalf on social media. If you receive a request or contact from the media regarding any issue related to DDAR, you should report it to your supervisor. If you are a Board Member, you should report the request to the CEO.

VIII. CONFIDENTIALITY OF INFORMATION

You must carefully observe policies relating to the confidentiality of all records and other confidential or sensitive information. You must protect the integrity and confidentiality of sensitive information from disclosure to third parties.

Safeguarding Company Assets/Funds

If you create, use or have access to DDAR assets, you must use and safeguard them responsibly. Safeguarding assets includes strict maintenance of confidentiality regarding the creation, use or access of any asset. When not assigned a duty by the company, you are expected not to divulge to any other individual information regarding any of assets.

Our Obligations

If you have access to confidential information, you are responsible for safeguarding it and must not disclose or discuss such information. It is important that you do not compromise DDAR’s position by improperly disclosing our confidential information to others unless you are authorized to do so. And your obligation continues after you leave the organization.

Confidential information includes such items as the following:

- Personal identifiable data relating to employees
- DDAR strategic plan
- Advance product plans/marketing strategies
- Unpublished financial data
- Proposed product plan prices
- Major upcoming changes in management or policy
- Unpublished employment statistics
- Dentist payment/earnings
- Documents marked confidential
- Internal/external audit and review findings
- Auditor/training manuals
- Rating formulas/underwriting manual
- Legal opinions and other legal communications
- Trade secrets/confidential information/intellectual property of our company
- Technological capabilities developed by the company
- Purchased or leased technology

Other information may also be considered confidential. If you believe certain information might be confidential and you are a DDAR employee, you should discuss it with your immediate supervisor and handle it as directed by the supervisor. If you are a DDAR Board Member, you should discuss it with the CEO or Board Chairperson and handle it as directed by them.

Maintaining Company Records and Data

If you create and/or maintain any DDAR records or data, you should do so carefully and accurately in order to ensure the integrity of the documents and proper control of them.

Access of Company Records and Data through Appropriate Channels

If you have access to DDAR records and/or data, you must use them only as necessary in performing your role for DDAR.

Access of Personal Data through Appropriate Channels

DDAR respects employee rights of privacy and collects only that personal data which is necessary. Personal data contains only the individually identifiable information as is necessary for business purposes and compliance with the laws. This information is handled confidentially, securely and fairly. DDAR’s access to such information is limited to those who have a legitimate, pertinent business need for it.

If you have access to subscriber information, you may not review your own records. In addition, access to any subscriber record for non-business purposes is strictly prohibited.
Technology and Information

The backbone of our company, as a competitive business, is our ability to develop and use technology in day-to-day operations. Failure to maintain control of our technological edge may cause us irreparable harm. If you are responsible for transferring data and/or funds through electronic means, you should do so honestly and accurately in accordance with all procedures. You are responsible for safeguarding our technology against unauthorized disclosure. This applies to proprietary and private data developed or purchased by DDAR or entrusted to us by customers and suppliers. Any technological advancement created by you or known to you is the property of DDAR. Inappropriate use or sharing of such technology is strictly prohibited.

Alteration and Misuse of Company Records

Alteration and misuse of DDAR’s records or data is prohibited unless in accordance with standard business rules, corporate policies and procedures. Unauthorized use of records or data for other than a company purpose, or access or viewing by persons not authorized, is prohibited. This includes the unauthorized use of passwords to access the network and personal computer files.

Trade Secrets/Confidential Information of Another Organization

If you have access to confidential information or trade secrets of another company, you must not disclose or permit these to be used by DDAR unless DDAR obtains permission from that company.

Confidentiality Statements

Employees in specific jobs, such as sales and underwriting, and members of the Board are required to sign a Confidentiality Agreement as a condition of employment or service on the Board, as applicable.

IX. PROCESS FOR ADDRESSING A POTENTIAL OR ACTUAL CONFLICT OF INTEREST

If as an Officer, Senior Manager or Director, you have or may have a conflict of interest, you may (i) request to make a presentation to the Board or a committee appointed by the Board or (ii) may be required by the Board Chairperson to address the actual or potential conflict. The presentation must be limited to facts relevant to the conflict of interest determination. The individual making the presentation will respond to factual questions related to the substance of the transaction or arrangement being considered. After the presentation and response to factual questions, the person disclosing the potential conflict of interest, will, if asked, leave the meeting during the discussion of, and the vote on, the transaction, arrangement, or Board or committee action regarding the conflict of interest.

The Chairperson of the Board or the appointed committee, as applicable, may appoint a disinterested person or committee to investigate alternatives to the proposed transaction, arrangement, or Board or committee action.

TO REPORT SUSPECTED IMPROPER ACTIVITY: Log on to the ethics hotline: https://Renaissance.alertline.com or Call the ethics hotline directly at (800) 457-6254.
After exercising due diligence, the Board or the appointed committee, as applicable, will determine whether there is in fact a conflict of interest and, if so, whether DDAR can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest, or whether Board or appointed committee action can be taken that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, or if Board or committee action cannot be taken that would avoid a conflict of interest, the Board or appointed committee will determine by a majority vote of the disinterested Directors whether the transaction, arrangement, Board or committee action is in DDAR’s best interest and for its own benefit and whether the transaction or action is fair and reasonable to DDAR and shall make its decision as to whether to enter into the transaction or action in conformity with such determination.

Any conflict of interest issues that arise during the course of a Board or committee meeting that cannot be resolved shall be referred to the Governance Committee of the Board.

If the individual who has or potentially has the conflict of interest is a Board Member, that person can be counted to make up a quorum for the meeting at which the transaction is decided or the Board or committee action is taken but may not vote on the transaction or action. The transaction or action must be approved by a majority of disinterested Board or committee members even if the disinterested persons constitute less than a quorum.

Even if a conflict is determined to exist, the proposed action or transaction may still be taken if the Board or appointed committee, as applicable, determines the proposed action or transaction is fair to DDAR and in DDAR’s best interest.

If the Board or appointed committee has reasonable cause to believe that an Officer, Senior Manager or Board Member has failed to disclose an actual or possible conflict of interest, it shall inform that individual about the basis for such determination and afford that individual an opportunity to explain the alleged failure to disclose. If after hearing the response of the individual and making such further investigation as may be warranted, the Board or appointed committee determines that such individual has in fact failed to disclose an actual or possible conflict of interest, the Board may take appropriate disciplinary and corrective action.

The minutes of the Board or appointed committee making a determination regarding an actual or potential conflict of interest includes:

- The names of the persons who disclosed or otherwise were found to have an interest in connection with an actual or possible conflict of interest, the nature of the interest, any action taken to determine whether a conflict of interest was present, and the Board’s or appointed committee’s decision as to whether a conflict of interest in fact existed.

- The names of the persons who were present for discussions and votes relating to the transaction, arrangement or action, including any alternatives to the proposed transaction, arrangement or action, and a record of any votes taken.
X. BOARD MEMBERS AS FIDUCIARIES

A Board Member is a fiduciary, which means that the member owes to the organization the duties of diligence and loyalty. It is important for a Director to observe the high standards of a fiduciary.

The Duty of Diligence

The duty of diligence requires a Director to apply reasonable skill and judgment in managing the affairs of the corporation. A Director should be conscientious in attending meetings of the Board and of committees and should spend sufficient time learning about the organization’s operations in order to make well-informed decisions. Although a Director is not required to have specialized knowledge in any particular area, if he or she has such knowledge, it should be used to the advantage of the organization. As discussed further below, a Director will not likely incur liability for a judgment made in good faith which later turns out to be erroneous.

The Duty of Loyalty

The duty of loyalty owed by Directors and Officers to a nonprofit corporation is the obligation to give priority to the needs of the organization in all actions taken on its behalf. A Board Member fulfills the duty of loyalty by adhering stringently and exclusively to the organization’s best interests in all dealings with it or on its behalf.

When a Director has an interest that is adverse to that of the organization in a transaction in which the organization is involved, the interest should be disclosed. That Director should abstain from voting on the matter. The transaction will usually not be void or voidable if it is approved by a majority of the disinterested Directors or if the interested Director can prove that the transaction was just and reasonable to the organization when entered into or approved.

The nonprofit purpose of the organization and its tax-exempt status under federal income tax laws prohibit any distributions of income or assets, or any other inurement of benefit, to Board Members except for full and adequate consideration or as reasonable compensation for services rendered.

XI. PERIODIC REVIEW

DDAR’s Governance committee will review this Code of Conduct and its effectiveness annually and provide recommendations for amendments to the Board of Directors. This Code of Conduct is subject to amendment by the affirmative vote of at least a majority of Directors who are present at a meeting at which a quorum is present.

To ensure that DDAR operates in accordance with this Code of Conduct and does not engage in activities that could jeopardize its tax-exempt status, a Board committee shall conduct periodic reviews of, at a minimum, the following subjects:

a. Whether compensation arrangements and benefits are reasonable, based on competent survey information and compliant with DDAR policies and procedures.

b. Whether partnerships, joint ventures and like arrangements conform to DDAR’s policies and procedures, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in an excess benefit transaction.

XII. CONCLUSION

If you have any questions about this Code of Conduct or would like to request more information about our policies, please contact an Officer or the CEO. If you are a Director, please contact the Chairperson of the Board or the Chair of the Governance Committee of the Board.