

## **Policy Governing Fraud and Financial Wrongdoing (Redacted Version for Contractors)**

### **I. Purpose**

The Federal Reserve Bank of Chicago (“Bank”) requires its independent contractors, and companies that do business with or seek to do business with the Bank to act with honesty and integrity in their dealings with the Bank. This policy sets forth the responsibilities to prevent and report known or suspected fraud/financial wrongdoing and sets forth the policy for investigating suspected fraud or financial wrongdoing.

### **II. Scope**

This Policy covers fraud and other financial wrongdoing (collectively “Wrongdoing”) that causes or is intended to cause financial loss or an impact on the Bank’s financial reporting. Fraud is the intentional use of deception to obtain unlawful gain or unfair advantage. Financial wrongdoing is broader than fraud and may or may not involve deception. Wrongdoing can be used to achieve personal gain or to give the Bank an unfair advantage and therefore can be directed at the Bank or at others with whom the Bank interacts.

Wrongdoing covered in this policy includes, but is not limited to: the use of deception to falsify Bank records or information the Bank relies on in its operations; the intentional omission of information material to a decision or operation; intentionally making incorrect financial entries; the submission of false reimbursement requests; the submission of phony invoices by a vendor; theft; improper use or release of proprietary information; making a false claim; and embezzlement.

### **III. Applicability**

This policy applies to all independent contractors, and persons or companies who do business with the Bank or seek to do business with the Bank.

### **IV. Reporting Responsibilities**

Any company or independent contractor that does business with or seeks to do business with the Bank who has knowledge of an occurrence of Wrongdoing or has reason to suspect that Wrongdoing related to the Bank has occurred, shall immediately report the suspected activity. The company or contractor may report the activity to any member of Bank management or through the Bank’s anonymous hotline by telephone (888-898-4091) or online ([www.frbchicago.ethicspoint.com](http://www.frbchicago.ethicspoint.com)).

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### **V. Investigation Policy**

#### **a. Policy to Investigate**

The Bank shall investigate suspected acts of Wrongdoing which are related to the Bank, its employees or its assets. The Bank will conduct an objective and impartial investigation regardless of the position, title, length of service or relationship with the Bank of any person or party who might be or becomes involved in or is the subject of such investigation.

#### **b. Actions Resulting from Investigations**

If an allegation of Wrongdoing is admitted by the perpetrator or substantiated by an investigation, the Report Recipients will determine the appropriate action. If an investigation reveals that a company or independent contractor doing business with or seeking to do business with the Bank has participated in Wrongdoing, the Bank will take appropriate action to remedy the situation, up to and including terminating the relationship. The Bank will consider civil action if warranted and will refer matters to and cooperate with law enforcement authorities where appropriate.

### **VIII. Media Inquiries and Inquiries from Suspects**

#### **a. Media Issues**

The media shall not be contacted regarding suspected Bank fraud or a fraud investigation at the Bank. Media inquiries regarding an alleged fraud or fraud investigations shall be referred to the media relations staff in Public Affairs.

#### **b. Inquiries from Suspects**

All inquiries from any individual suspected of fraud, including their representatives or attorneys, shall be directed to the Bank's General Auditor.