PORT OF CORPUS CHRISTI AUTHORITY

VENDORS CODE OF ETHICS
POLICY STATEMENT

PURPOSE

The purpose of this policy statement is to apprise current and prospective vendors of the Port of Corpus Christi Authority (PCCA) as to the code of business ethics expected of them in their conduct of business with the Port Commissioners, Officers and Employees of the Authority.

DEFINITIONS

Vendors - The term vendors means all current or prospective suppliers of goods or services to PCCA, including professionals and consultants in all areas of specialized expertise.

Sound Business and Ethical Practices - For the purposes of this policy statement the term "Sound Business and Ethical Practices" means actions that conform to the highest standards of moral duty and obligations as expressed and implied in the laws governing doing business with PCCA.

Business Entertainment - The term business entertainment does not include food, lodging, travel, or entertainment accepted by a PCCA Port Commissioner, Officer or Employee as a guest, unless the Vendor is required by law to report those items and fails to do so.

POLICY

It shall be the policy of PCCA that all current and prospective vendors conduct their business with the representatives of PCCA in conformity with sound business and ethical practices which will bring continuing respect to the vendors and PCCA, and avoid any questionable conduct that could bring discredit to any of the parties.

What constitutes "Sound Business and Ethical Practices" is a legal matter of prudent judgment coupled with moral and legal considerations. Accordingly, it is not possible to describe every circumstance or relationship that reflects unsound business or unethical practices; however, vendors shall not offer to any Port Commissioner, Officer, or Employee of PCCA any benefits or gratuities in any form that could be construed as an attempt to influence such person in the performance of his or her official duties in conducting the business of PCCA.

RESPONSIBILITIES

Vendors - All current and prospective vendors are expected to comply with the provisions of this policy when conducting or discussing PCCA business with any Port Commissioner, Officer or Employee of PCCA.

Port Commissioners, Officers and Employees - All PCCA Officers and Employees shall report any situation that appears to be in violation of this policy statement to the Chief Executive Officer (or to the Chairman of the Port Commission if the situation involves the Chief Executive Officer). The Chief Executive Officer and the Port Commissioners shall report apparent violations of this policy to the Chairman of the Port Commission or to the Port Commission as a whole.

Chief Executive Officer - The Chief Executive Officer shall be responsible for administering this policy in a fair and equitable manner. Common sense and good judgment shall be utilized in arriving at reasonable conclusions consistent with the intent of this policy. The Chief Executive Officer is also authorized to promulgate, as needed, instructions, guidelines, or interpretations. The Chief Executive Officer shall evaluate any reported violation by a vendor and take appropriate corrective action, including sanctions and reporting the situation to the Port Commission.

Port Commission - The Port Commission shall evaluate any violation reported or coming to its attention and take appropriate corrective action, including sanctions and initiation of lawsuits as deemed appropriate.

CERTAIN SECTIONS OF THE PENAL CODE ARE APPLICABLE TO VENDORS

Vendors should be aware that unethical behavior may also be illegal behavior under certain sections of Chapter 36 (Bribery and Corrupt Influence) of the Texas Penal Code. As a reminder:

Section 36.02 (Bribery) states that:

(a) A person commits an offense if he intentionally or knowingly offers, confers, or agrees to confer on another or solicits, accepts, or agrees to accept from another:

(1) any benefit as consideration for the recipient's decision, opinion, recommendation, vote, or other exercise of discretion as a public servant, party official, or voter;

(2) any benefit as consideration for the recipient's decision, vote, recommendation, or other exercise of official discretion in a judicial or administrative proceeding; or

(3) any benefit or consideration for a violation of a duty imposed by law on a public servant or party official.

(e) An offense under this section is a felony of the second degree.

Section 36.08 (Gift to Public Servant by Person Subject to His Jurisdiction) states that:

(d) A public servant who exercises discretion in connection with contracts, purchases, payments, claims, or other pecuniary transactions of

government commits an offense if he solicits, accepts, or agrees to accept any benefit from a person the public servant knows is interested in or likely to become interested in any contract, purchase, payment, payment, claim or transaction involving the exercise of his discretion.

(h) An offense under this section is a Class A misdemeanor.

Section 36.09 (Offering Gift to Public Servant) states that:

(a) A person commits an offense if he offers, confers, or agrees to confer any benefit on a public servant that he knows the public servant is prohibited by law from accepting.

(b) An offense under this section is a Class A misdemeanor.

Section 36.10 (Exceptions) states:

(a) Sections 36.08 (Gift to Public Servant) and 36.09 (Offering Gift to Public Servant) do not apply to:

(6) an item with a value of less than $50, excluding cash or a negotiable instrument.

(b) Section 36.08 (Gift to Public Servant) does not apply to food, lodging, transportation, or entertainment accepted as a guest and, if the donee is required by law to report those items, reported by the donee in accordance with that law.

(c) Section 36.09 (Offering Gift to Public Servant) does not apply to food, lodging, transportation, or entertainment accepted as a guest and, if the donor is required by law to report those items, reported by the donor in accordance with that law.

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