



October 15, 2018

Certificate of Compliance

Midallooy Specialty Materials
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Fraud & Falsification Policy

I. PURPOSE

Midallooy Specialty Materials (MSM) recognizes the importance of protecting the organization, its operations, its employees and its assets against financial risks, operational breaches and unethical activities. Therefore, it is incumbent for MSM to institute and clearly communicate the fraud prevention policy.

The Authority maintains a zero-tolerance policy regarding fraud and corruption. All matters raised by any source will be taken seriously and properly investigated. This policy covers all Authority employees and officers. Additionally, this policy covers all Authority vendors, customers and partners to the extent that any Authority resources are committed or used.

II. ASSIGNMENT OF RESPONSIBILITY

The General Manager is responsible for the administration, revision, interpretation and application of this policy.

III. DEFINITIONS

A. Fraud is defined as an intentional deception, misappropriation of resources, or the manipulation of data to the advantage or disadvantage of a person or entity.

B. Corruption is defined as the offering, giving, soliciting or accepting of an inducement or reward that may improperly influence the action of a person or entity.

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C. Allegations and concerns about fraudulent or corrupt activity may come from various sources including:

- Employees
- Vendors
- Members of the public
- Results of internal or external audit reviews
- Any other interested parties

IV. REPORTING FRAUD OR CORRUPTION

All employees have a duty to report any information or suspicions about the possible fraudulent or corrupt activity of any officer, employee, vendor or any other party associated with the Authority. Such duty includes reporting this immediately to the employee's supervisor.

If reporting this to the employee's supervisor compromises the integrity of the information in any way, the employee should contact the General Manager and arrange for a meeting. Similarly, if the information cannot be discussed with the General Manager, the employee should contact an Executive Officer and arrange for a meeting to discuss the matter.

An anonymous written complaint can instead be provided to the General Manager. It is strongly recommended that complaints be made no later than 12 working days of having knowledge or suspicion. It is also strongly recommended that a written and signed statement of the complaint be submitted to the General Manager within eight working days of the initial anonymous complaint report. Anonymity in the complaint procedure may compromise the Authority's ability to complete a thorough investigation.

Complaints must include the following information:

- The employee's name and position title.
- The name of the alleged person or persons committing the fraud, including their title(s).
- The specific nature of the fraud, and if known, how long it has gone on.
- Witnesses to the fraud, if any.

No attempt should be made by anyone other than those authorized to personally conduct investigations or interviews/interrogations related to any suspected fraudulent act.



Retaliation and retribution will not be tolerated against any employee or officer who reports suspected fraudulent or corrupt activities. All reports will be taken seriously and will be investigated by appropriate staff or legal counsel. If deemed necessary, the Authority will notify and fully cooperate with the appropriate law enforcement agency. Any investigation resulting in the finding of fraud or corruption will be reported to the Authority's Executive Committee. Fraudulent or corrupt activities that result in disciplinary action will be reported to the Business Owner(s).

If an employee is determined to have acted maliciously or with deceit in making a false accusation, the employee will be subject to disciplinary action.

V. CORRECTIVE ACTION

Final determination regarding action against an employee, vendor, recipient or other person found to have committed fraud or corruption will be made by the General Manager. If the fraud or corruption was found to include the involvement of the General Manager, the Acting President will take appropriate action.

Offenders at all levels of the organization will be treated equally regardless of their position or years of service with the Authority. Determinations will be made based on a finding of facts in each case, actual or potential damage to the organization, cooperation by the offender, and legal requirements.

Best Regards,

A handwritten signature in black ink, appearing to read "Joe Catalano". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Joe Catalano
Quality Dept.