



Reliance
Surety & Insurance Co., Inc.

RELIANCE SURETY & INSURANCE CO., INC.

ANTI-BRIBERY & CORRUPTION POLICY

I. INTRODUCTION

A. Policy Statement

Corruption is a criminal offence. Reliance Surety & Insurance Co., Inc. (“RSICI”) is committed to the prevention, deterrence and detection of bribery and does not, and will not, pay bribes or offer improper inducements to anyone for any purpose, nor do we or will we, accept bribes or improper inducements. We are committed to acting professionally, fairly, and with integrity in all business dealings and relationships.

The Audit & Related Party Transaction Committee shall oversee the assessment of bribery and corruption risks across the company, as well as, evaluating controls, consulting and reporting to senior management and the Board of Directors.

B. Objective of this Policy

This Anti-Bribery and Corruption Policy establishes principles that must govern our conduct in order to reinforce our intention and obligation to act honestly and ethically in all of our business dealings.

C. Applicability

This policy applies to all persons working for us or on our behalf in any capacity, including employees at all levels, directors, officers, agent, interns, agents, contractors, external consultants, third-party representatives and business partners.

II. BRIBERY AND CORRUPTION

A. Definition and Scope

Corruption is the offering, giving, receiving or soliciting of something of value for the purpose of influencing the action of either 1) a public official or representation of a private corporation in the discharge of his/her public or legal duties, or 2) a person in power in an effort to cause the person to take a particular action.

It is important to understand that a corrupt act has occurred even if: (i) a bribe does not succeed; (ii) a person authorizes or provides direction for a bribe, but no bribe is ultimately offered or paid.

“Anything of value” includes, Cash, cash equivalents (such as gift certificates/cards), gifts, loans, fees, hospitality, services, discounts, the award of a contract or any other advantage or benefit.

Specifically, must not:

1. gives or offer any payment, gift, hospitality or other benefit in the expectation that a business advantage will be received in return, or to reward any business received;
2. accepts any offer from a third party that you know or suspect is made with the expectation that we will provide a business advantage for them or anyone else; or
3. gives or offer any payment (sometimes called a facilitation payment) to a government official in any country to facilitate or speed up a routine or necessary procedure;
4. threatens or retaliate against another person who has refused to offer or accept a bribe or who has raised concerns about possible bribery or corruption.

Employees must not engage in any form of bribery, whether it be directly, passively, or through a third party (such as an agent or distributor).

B. Hospitality and Gifts

This policy does not prohibit normal hospitality (given and received) to or from third parties and the giving or receipt of gifts, provided that such hospitality and gifts are provided appropriately and in accordance with this policy.

1. What is acceptable?

- 1.1. For gifts and hospitality to be acceptable, it must be modest and appropriate in time and circumstance. The provision of lavish, expensive or excessive gifts, meals, travel and/or entertainment can create the appearance or perception of corrupt intent to influence, and must be avoided in all instances. In order to comply with RSICI's policy, gifts and hospitality must generally meet the following criteria
- 1.2. Not made with the intention of influencing a third party in order to obtain or retain business or business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits
- 1.3. Complies with local law;
- 1.4. Is given in RSICI's name, not in any employee's name;
- 1.5. Does not include cash or cash equivalent (such as gift certificates or vouchers);

- 1.6. Is appropriate in the circumstances, for example, it is customary for small gifts to be given at Christmas time;
- 1.7. Taking into account the reason for the gift, is of an appropriate type and value and given at an appropriate time, i.e. is not given or accepted in connection with, or timely near, tender processes or negotiations with business partners;
- 1.8. Is given openly, not secretly;
- 1.9. Invitations to events should preferably be presented to a team or group of people, and for the team leader to select the colleague(s) to attend the event; and
- 1.10. Is not offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of the President or CEO.

2. What is not acceptable?

- 2.1. To give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
- 2.2. Give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to “facilitate” or expedite a routine procedure;
- 2.3. Accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them;
- 2.4. Accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided in return;

C. Charitable Contributions

RSICI shall accept (and indeed encourages) the act of donating to charities – whether through services, knowledge, time, or direct financial contributions (cash or otherwise) and agrees to disclose all charitable contributions it makes.

D. Political Contributions

RSICI will not make donations, whether in cash, kind, or by any other means, to support any political parties or candidates. We recognize this may be perceived as an attempt to gain an improper business.

III. EMPLOYEES' RESPONSIBILITY

A. Prevention

1. The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working or acting on behalf of for RSICI. As an employee, you must:
 - 1.1. Ensure that you read, understand, and comply with the information contained within this policy, and with any training or other anti-bribery and corruption information you are given;
 - 1.2. Act honestly and with integrity at all times and to safeguard RSICI's resources for which you are responsible;
 - 1.3. Required to avoid any activities or decline any opportunity that could lead to, or imply, a breach of this anti-bribery policy.
2. If any employee breaches this policy, they will face disciplinary action and could face dismissal for gross misconduct. RSICI has the right to terminate a contractual relationship with an employee if they breach this anti-bribery policy.

B. Raising a Concern

RSICI is committed to ensuring a reliable, and confidential way of reporting any suspicious activity. The procedure for following up concerns is also designed to protect the identity of a person wishing to report a concern anonymously, and the privacy of persons involved.

If you suspect that there is an instance of bribery or corrupt activities occurring in the company, you are encouraged to raise your concerns at as early a stage as possible. If you're uncertain about whether a certain action or behavior can be considered bribery or corruption, please report it to your immediate manager and the Compliance Officer as soon as possible. The sooner you act; the sooner the issue can be resolved.

You can also refer to company's whistleblowing policy guidelines and determine your preferred course of action. Concerns can be reported

anonymously. In the event that an incident of corruption, or wrongdoing is reported, we will act as soon as possible to evaluate the situation.

C. What to do if you are a victim of bribery or corruption

It is important that you tell your manager and Compliance Officer as soon as possible if you are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that you are the victim of another form of corruption-like activity.

D. Protection

Employees who refuse to accept or offer a bribe, or those who report a concern relating to potential act(s) of bribery or corruption, RSICI understands that you may feel worried about potential repercussions. We encourage openness and will support anyone who raises a genuine concern in good faith under this policy, even if investigation finds that they were mistaken.

RSICI is committed to ensuring that no-one suffers detrimental treatment through refusing to take part in bribery or corruption, or because of reporting a potential act(s) of bribery or corruption. Detrimental treatment refers to dismissal, disciplinary action, treats, or unfavorable treatment in relation to the concern the individual raised.

If you have reason to believe you've been subjected to unjust treatment as a result of a concern or refusal to accept a bribe, you should inform your line manager or the Compliance Officer.

IV. TRAINING AND COMMUNICATION

RSICI will provide training on this policy as part of the induction process for all new employees. Employees will also receive regular, relevant training on how to adhere to this policy, and will be asked annually to formally accept that they will comply with this policy.

The anti-bribery and corruption policy and zero-tolerance attitude will be clearly communicated to all suppliers, contractors, business partners, and any third-parties at the outset of business relations, and as appropriate thereafter.

V. RECORD KEEPING

RSICI will keep detailed and accurate financial records, and will have appropriate internal controls in place to act as evidence for all payments made.

All personnel must declare and keep a written record of all hospitality or gifts given or received. They must submit all expenses claims relating to hospitality, gifts or payments to third parties and record the reason for expenditure.

All accounts, invoices, and other records relating to dealings with third parties including suppliers should be prepared with strict accuracy and completeness. Accounts must not be kept "off-book" to facilitate or conceal improper payments.

VI. MONITORING AND REVIEW

The Compliance Officer will regularly monitor the effectiveness and review the implementation of this policy, considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.

The Compliance officer will regularly keep the Audit & Related Party Transactions Committee updated on the effectiveness of this policy and inform of any corruption/bribery cases which have come up in the course of the year.

All RSICI employees are encouraged to offer their comment on this policy. Comments, suggestions and queries should be addressed to the Compliance Officer.

This policy does not form part of an employee's contract of employment and RSICI may amend it at any time so to improve its effectiveness at combatting bribery and corruption.