



Supplier Anti-Corruption and Anti-Bribery Policy



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Purpose and Scope

Dwellworks is committed to maintaining high ethical standards of business conduct globally. This Supplier Anti-Corruption and Anti-Bribery Policy (the “Policy”) applies to supply chain partners and anyone engaged by supply chain partners (“Suppliers”) who are providing services to Dwellworks and its affiliates and subsidiaries (“Dwellworks”) in any of the jurisdictions Dwellworks operates.

To combat instances of corruption and bribery, Suppliers must be mindful of applicable legislation and how to properly work and interact with individuals in foreign jurisdictions. In the U.S., the Foreign Corrupt Practices Act of 1977 (the “FCPA”) was enacted to prohibit bribes and other illegal payments to government officials of foreign countries for the purpose of obtaining or retaining business or to secure any improper advantage. Legislation outside of the U.S., such as Canada’s Corruption of Foreign Public Officials Act (the “CFPOA”) is similar to the FCPA, but some foreign laws go beyond the FCPA’s requirements. For example, the UK Bribery Act of 2010 (the “UKBA”), though similar in scope to the FCPA has several key differences. Unlike the FCPA, the UKBA applies to bribes offered or given to a foreign official and any individual, it covers both active and passive bribery (the giving of a bribe and the taking of a bribe), and it creates a presumption of liability upon the company for failure to prevent bribery.

This Policy is a part of Dwellworks’ overall compliance efforts and should be read in conjunction with Dwellworks’ Supplier Code of Conduct (the “Supplier Code”). The purpose of this Policy is to reiterate Dwellworks’ commitment to the FCPA, the CFPOA, and the UKBA and to give Suppliers a basic understanding of applicable laws so that situations can be properly identified and appropriate action can be taken. Dwellworks requires Suppliers to abide by the terms of this Policy.

Core Principles



Never give or
receive bribes



Understand the
risks associated
with corruption and
bribery



Document
transactions
accurately and in
reasonable detail



Report issues or
concerns
immediately

Guidelines for Anti-Corruption and Anti-Bribery Compliance

Applicable Definitions

- + **Foreign Official:** Any officer or employee of a foreign government, department, agency, instrumentality or state owned entity; customs officials; non-U.S. candidates for political office and their representatives; and officials of public international organizations such as the United Nations, the World Bank or the Red Cross.
- + **Thing of Value:** Cash payments, gifts such as cars, jewelry, etc., excessive travel and entertainment expenses, educational or executive training expenses, promises of future employment, fake employment positions or consulting agreements, shares or dividends of a company, loans, and political or charitable contributions.

General Rules of Conduct

In accordance with the FCPA, the CFPOA, the UKBA and other applicable anti-corruption and anti-bribery laws, Suppliers are strictly prohibited from offering, making, promising, giving, authorizing or accepting, directly or indirectly:

- + Any payment, advantage, or Thing of Value;
- + To and from any
 - o Foreign Official ;
 - o private person; or
 - o employee of any business entity;
- + As an improper inducement for:
 - o Causing such person to act or fail to act in violation of a legal duty;
 - o Causing such person to abuse or misuse their position; or
 - o Securing an improper advantage, contract or concession;
- + For Dwellworks or any other party.

Dwellworks will not condone or tolerate the offering, making or authorizing of any payment or Thing of Value to an individual to secure an improper advantage. Suppliers with knowledge of facts or incidents which may be in violation of this Policy have an obligation, promptly after learning of such fact or incident, to report it. Failure to report suspicious activity or tipping off suspected wrongdoers may also result in liability.

Facilitation Payments

Suppliers may encounter situations where they are asked to make facilitation payments to Foreign Officials to persuade them to perform administrative functions such as obtaining permits or licenses or setting up utilities or mail service. The FCPA and the CFPOA have narrow exemptions for facilitation payments for routine government work, but legislation in other countries prohibits such payments. Thus, Suppliers are strictly prohibited from making facilitation payments. Suppliers should report any situations involving such payments.

Giving and Receiving Gifts

In many countries, gift giving is a part of normal customs and good business relationships. Regardless of customary procedures, however, Suppliers may not accept or condone the exchange of gifts or money on behalf of Dwellworks in return for favorable business outcomes. Furthermore, gifts to Foreign Officials on behalf of Dwellworks are strictly prohibited because they can create or give the appearance of improper influence.

Suppliers must exercise caution and use good judgment in giving and receiving gifts. For example, Suppliers should not give gifts to parties that Dwellworks is engaged in a competitive bidding process with and Suppliers must not give gifts in the form of cash or cash equivalents, including gifts cards and vouchers. Suppliers must consider the following principles when giving and receiving gifts:

- + Gifts cannot have a value more than \$25.00;
- + Gifts must be appropriate for the circumstances;
- + Gifts cannot create an appearance of bad faith or impropriety;
- + Gifts should not be misunderstood by the recipient or others as a bribe; and
- + Gifts should be provided openly and transparently.

In addition, Suppliers should ask the following questions to determine if a gift is appropriate:

- + Is the intent of the gift to build a business relationship or to influence a party in making a business decision?
- + Is the gift legal in the country?
- + Is the gift modest and infrequent?
- + Does the recipient's employer allow the recipient to accept gifts?
- + Would you be embarrassed if anyone became aware of the gift?

Financial Books and Records

Compliance with accounting and internal control procedures is crucial. All accounting records, expenditures, expense reports, invoices, vouchers, gifts, business entertainment and any other business records must be recorded and accurately and fairly reflected in reasonable detail. The following acts are strictly prohibited:

- + Omitting, falsifying or disguising entries or creating misleading or incomplete entries;
- + Authorizing or funding undisclosed or unrecorded transactions; and
- + Paying improper, unsupported or unauthorized expenses.

Suppliers have an obligation to truthfully report all transactions to ensure no payment is made based on false documentation. Situations involving excess payments for services rendered, incomplete or unclear journal entries, and unusual invoices with a lack of supporting documentation could indicate a possibility of concealment and should be reported.

Engaging and Working with Partners

Proper Due Diligence

Suppliers must complete risk-based anti-bribery due diligence on individuals or entities who will perform services for or on behalf of Dwellworks. This includes situations where Suppliers make referrals: such as when a Destination Service Consultant recommends a real estate agent, when a field agent recommends a contractor or when an appraiser recommends a home inspector. The following procedure can assist in evaluating partners:

- + Conduct a background check on the local party
- + Investigate the local party's reputation within the community by:
 - o Searching the local news outlets;
 - o Searching the Internet; and
 - o Calling known and trusted partners in the area.
- + Verify the local party has experience in the activity for which it is being compensated for
- + Inquire about the local party by calling local government commerce departments

Suppliers who select local partners to work on behalf of Dwellworks must monitor their activities to verify adherence with applicable laws.

Red Flags

While the risks of corruption and bribery vary, Suppliers may nevertheless encounter these crimes in their day-to-day operations with other individuals and businesses. Suppliers must cooperate with Dwellworks to ensure and monitor compliance with anti-bribery and anti-corruption laws. The following are indicators of potential noncompliance with anti-corruption and anti-bribery legislation:

- + Parties with a reputation for corruption and/or paying bribes
- + Requests for unusually large or disproportionate fees or commissions
- + Requests for payments in cash
- + Requests to structure payments in order to avoid reporting requirements
- + Requests to make payments to unknown third parties (outside of the normal scope) or to bank accounts in countries other than the country in which the transaction occurred
- + Parties who have a special relationship to the foreign government
- + Requests to pay for exorbitant travel and entertainment expenses or gifts for Foreign Officials or requests for reimbursement of such expenses
- + Requests for political or charitable contributions
- + Requests to keep the party's relationship secret
- + Refusal to abide by anti-corruption and anti-bribery laws
- + Misrepresentations regarding a party's background, history or experience in the industry



- + Use of fake, stolen or otherwise suspicious forms of identification
- + Invoices inadequately documented as to products or services delivered or received
- + Signs that a party is not acting on his or her own behalf, but trying to conceal the true beneficiary's identity
- + Refusal to provide an invoice or receipt for a payment or receiving an invoice or receipt that appears to be non standard or customized

While not an exhaustive list, these factors identify many of the hallmarks of corruption and bribery. The presence of one of these factors does not automatically require reporting, but if suspicious activity persists, Suppliers should report the issue.

Penalties for Noncompliance

Penalties for violating anti-corruption and anti-bribery laws can be severe for both the corporation and the individual. Under the FCPA, corporations can be fined the greater of \$2,000,000 or two times the gain obtained as a result of the violation. Individuals can be fined up to \$100,000 and be imprisoned for five years. A company cannot indemnify an individual found to have violated the FCPA. The CFPOA allows for unlimited fines for corporations and up to 5 years imprisonment for individuals and the UKBA allows for unlimited fines for corporations and up to 10 years imprisonment for individuals.

Applicable Examples

Example #1: You are helping a relocating family get driver licenses. The local government official you are dealing with is making the process long and difficult. He mentions that he can expedite the process if you pay him a fee. **Can you pay the fee to get the driver licenses finalized?**

***Answer:** No. Any fee paid to induce a person to perform their duties improperly or to improperly expedite a government service is a bribe and is strictly prohibited.*

Example #2: You are helping a relocating employee and his family get accustomed to your city. You have been asked by Dwellworks to recommend a home inspector in your city for another client. You know one home inspector, but he has a reputation of being corrupt and for accepting bribes to overlook substantial issues with homes. **Should you recommend this individual to Dwellworks?**

***Answer:** No. Suppliers should not recommend individuals who have a reputation of corruption and/or paying/receiving bribes. Suppliers should conduct proper due diligence on other Suppliers before recommending them to Dwellworks.*

Example #3: You are conducting an appraisal of a relocating employee's house. The homeowner comes to you during your appraisal and hands you five hundred dollars in cash, and hints that you could give his home's value a ten to fifteen thousand dollar increase. There are no government officials involved but you are still uncomfortable. **Should you report this activity?**

***Answer:** Yes. Even though there are only private parties involved, this sort of activity is bribery. Dwellworks and its Suppliers must adhere to the highest standards of ethics. You should report this situation.*



How to Report a Concern or Violation

Your Dwellworks contact is available to discuss concerns or questions about compliance. The following options are also available:

- + Call or email your Dwellworks contact
- + Email the Compliance Office at compliance@dwellworks.com
- + Call anonymously using the applicable Dwellworks Compliance Hotline:
 - United States/Canada: 1 (877) 647-3335
Code: 8003992626
 - Mexico: +52 (55) 4170-7583
Code: 8003992626
 - United Kingdom: +44 800 048-8047
Code: 8455192606
 - Costa Rica: +506-4000-3673
Code: dwcostarica
 - Luxembourg: File a report through <http://www.redflagreporting.com>
Code: 8455192606