

#### **4 KAR 1:050. Code of Professional Conduct.**

RELATES TO: KRS 21.440, 21.450, 21.530, 21.540, 21.550, and 21.560

STATUTORY AUTHORITY: KRS 21.450(4)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 21.450(4) requires the board of trustees of the Judicial Form Retirement System to establish ethics policies and procedures by promulgation of administrative regulations. This administrative regulation establishes those ethics policies and procedures.

##### Section 1. Definitions.

- (1) "Board" means the board of trustees of the System.
- (2) "Family Member" means a spouse, parent, sibling, grandparent, grandchild, or child of a trustee.
- (3) "System" means the Judicial Form Retirement System.
- (4) "Trustee" means a trustee of the board.

Section 2. Informed Basis. A trustee shall discharge all duties on an informed basis based on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by the executive director of the System, legal counsel, public accountants, actuaries, or other persons as to matters which the trustee honestly believes are within the person's professional or expert competence.

Section 3. Official Position. A trustee, alone or through others, shall not knowingly use or attempt to use his or her official position to secure or create privileges, exemptions, or advantages to the derogation of the public interest at large.

Section 4. Gifts. A trustee, the trustee's spouse, or a dependent child shall not knowingly accept any gifts or gratuities, including campaign contributions, travel expenses, meals, alcoholic beverages, and honoraria, totaling a value greater than twenty-five (25) dollars in a single calendar year from:

- (1) Any person or business that does business with, is regulated by, is seeking grants from, is involved in litigation against, or is lobbying or attempting to influence the actions of the System; or
- (2) Any group or association which has as its primary purpose the representation of those persons or businesses.

##### Section 5. Disclosure.

(1) A trustee shall disclose to the other trustees, any direct or indirect interest in any undertaking that puts the trustee's personal interest in conflict with that of the System. The disclosure shall be made in writing or shall be recorded in the minutes of a formal meeting. A trustee who is required to publicly disclose a direct or indirect interest shall abstain from all decisions concerning his or her interest if the decision may affect the trustee or the trustee's business, profession, or occupation in a manner different from the business, profession, or occupation of the other trustees.

(2) A trustee shall annually file a financial disclosure report with the System, using the Financial Disclosure Report form for a judge as required by KRS 61.710 to 61.780 and as incorporated by reference in 32 KAR 1:090, the Statement of Financial Disclosure form for a member of the General Assembly as required by KRS 6.787 and as incorporated by reference in 2 KAR 2:020, or the Financial Disclosure Report form incorporated by reference in this administrative regulation for any other person serving as a trustee, which includes the following disclosures:

- (a) A description of any financial interest the trustee has in any company or firm that does business with the System;

- (b) A description of any personal financial interests, direct or indirect, not listed in subsection (2)(a) of this section for the trustee and any family member which may conflict or appear to conflict with the trustee's duties and responsibilities to the System;
- (c) A description of employment or compensation which the trustee receives from any contractors or vendors of the System; and
- (d) A description of any interest in property, tangible or intangible, or any other assets or businesses which may constitute or cause a conflict of interest with the trustee's duties.

(3) Any trustee who knowingly and willfully provides false, misleading, or incomplete information on the required disclosure form shall be subject to disciplinary action, up to and including, removal from the board. The form shall be maintained in the System office and shall be made available to the public upon request.

#### Section 6. Incorporation by Reference.

(1) "Financial Disclosure Report", July 2017, is incorporated by reference.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at Kentucky Judicial Retirement System, 305 Ann Street, Suite 302, Whitaker Bank Building, Frankfort, Kentucky 40601, Monday through Friday, 8:00 a.m. to 5:00 p.m.

(43 Ky.R. 2239; 44 Ky.R. 212; eff. 9-1-2017; Cert eff. 8-12-2024.)