

VIRGINIA LIMOUSINE ASSOCIATION CODE OF ETHICS

Preamble

Under all we do should lie ethics -- standards of conduct and moral judgment -- for upon ethics depend the survival and growth of free institutions and, indeed, civilization. Members of ground transportation companies should recognize that the interest of the industry requires the highest and best use of equipment and personnel. Therefore, we must require adequate equipment and personnel to meet the needs of the public; the building of a functional network among ourselves to insure service and safety for the public; the development of productive relationships among members; and the preservation of a healthful environment for all humankind.

Such interests impose obligations beyond those of ordinary commerce. They impose grave social responsibility and duty to which we must dedicate ourselves. Members, therefore, should be zealous to maintain and improve the standards of our chosen industry and to share with our fellow members a common responsibility for the integrity and honor of our industry. The term Member should connote competency, fairness, and high integrity resulting from adherence to a lofty ideal of moral conduct in business relations. No inducement of profit can ever justify departure from this ideal.

In the interpretation of this obligation, Members can take no safer guide than that which has been handed down through the centuries and embodied in the Golden Rule: the precept that we should behave toward others as we would want others to behave toward us.

Accepting this standard as our own, we, as **Virginia Limousine Association** members, hereby pledge to observe its spirit with high standards of honesty, integrity, and responsibility in all our activities and to conduct our business in accordance with the tenets set forth below.

While the Code of Ethics establishes obligations which may be higher than those mandated by law, in any instance where the Code of Ethics and the law conflict, the obligations of the law take precedence.

Articles 1 through 6 are inspirational and establish ideals which we, as members of the **Virginia Limousine Association**, should strive to attain.

ARTICLE I

Members should become and remain informed on matters affecting the livery industry in the community, the state, and the nation so that we may be able to contribute responsibly to public thinking on industry matters.

ARTICLE II

In justice to those who place their interests in our care, Members should endeavor always to be informed regarding laws, proposed legislation, governmental regulations, public policies, and current market conditions in order to be in a position to advise our clients properly.

ARTICLE III

Members should endeavor to eliminate in our communities any practices which would be damaging to our industry. Members should assist all governmental agencies charged with regulating the practices of our industry.

ARTICLE IV

To prevent dissension and misunderstanding and to assure better service, members should urge written contracts with clients.

ARTICLE V

In the best interests of society, our clients, our employees and our own businesses, members should willingly share with other members the lessons of experience and study for the benefit of the public and the industry at large.

ARTICLE VI

Members should be loyal to the Virginia Limousine Association and active in its work.

Articles 7 through 26 establish specific obligations. Failure to observe these requirements subject Members to disciplinary action.

ARTICLE VII

Members shall uphold and abide by all laws and regulations pertaining to the ground transportation industry.

ARTICLE VIII

Members shall promote only that equipment which is functionally sound and which is consistent with objective standards of safety.

ARTICLE IX

Members shall seek no unfair advantage over other Members and shall conduct business so as to avoid such controversies.

Standard of Practice 9.1 - Members shall not misrepresent the kinds and availability of ground transportation in the area.

ARTICLE X

Members pledge to promote and protect the interests of the client. This obligation of absolute fidelity to the client's interests is primary, but does not relieve members of the obligation to treat fairly any other party involved or to uphold all laws.

Standard of Practice 10.1 - Members, in attempting to secure a client, shall not deliberately mislead the prospective client as to the market value of the proposed service.

ARTICLE XI

Members shall not accept compensation from more than one party, even if permitted by law, without the full knowledge of all parties to the transaction.

ARTICLE XII

Members shall avoid exaggeration, misrepresentation, or concealment of pertinent facts relating to any service rendered. Members shall not, however, be obligated to advise on matters outside the scope of service.

Standard of Practice 12.1 - Members shall not be party to the naming of a false consideration in any document.

Standard of Practice 12.2 - Members shall not offer a service described as "free of charge," when the service is contingent on the obtaining of a benefit.

Standard of Practice 12.3 - Members shall, with respect to the subcontracting of another Member, timely communicate any change of compensation for subcontracting services to the other Member prior to the rendering of service.

Standard of Practice 12.4 - Members shall disclose their status when seeking information from another Member concerning the industry.

Standard of Practice 12.5 - The offering of premiums, prizes, merchandise or service discounts or other inducements is not, in itself, unethical even if receipt of the benefit is contingent upon providing service by the Member making the offer. However, Members must exercise care and candor in such advertising or other public or private representations so that any party interested in receiving or otherwise benefiting from the Member's offer will have clear, thorough, advance understanding of all the terms and conditions of the offer. The offer of any inducements to do business is subject to the limitations and restrictions of law and ethical obligations.

ARTICLE XIII

Members shall not deny equal professional services to any person for reasons of race, color, religion, sex, handicap, familial status, or national origin. Members shall not be parties to any plan or agreement to discriminate against a person or persons on the basis of race, color, religion, sex, handicap, familial status or national origin.

ARTICLE XIV

Members are expected to provide a level of competent service in keeping with the standards of practice in all areas of the ground transportation industry.

Members shall not undertake to provide specialized services outside their field of competence unless they engage the assistance of one competent in such type of service or unless the facts are fully disclosed to the client. Any persons engaged to provide such assistance shall be so identified to the client and their contribution to the assignment should be set forth.

ARTICLE XV

In the event of a controversy between owners and operators, they shall submit the dispute to mediation rather than litigate the matter.

Standard of Practice 15.1 - The procedure for mediation will be as follows: each party involved in a controversy will select one member to serve in the mediation; those two shall select another member to form a three-person mediation board.

Standard of Practice 15.2 - The filing of litigation and refusal to withdraw from it by an owner or operator in an mediative matter constitutes a refusal to mediate.

Standard of Practice 15.3 - The obligation to mediate mandated by Article 14 includes mediation requests initiated by clients of Members.

Standard of Practice 15.4 - Article 14 does not require Members to mediate those circumstances when all parties to the dispute advise the Board in writing that they choose not to mediate.

ARTICLE XVI

If charged with unethical practice or asked to present evidence or to cooperate in any other way in any disciplinary proceedings or investigation, Members shall place all pertinent facts before the proper committees or Board and shall take no action to disrupt or obstruct such processes.

Standard of Practice 16.1 - Members shall not be subject to disciplinary proceedings more than once with respect to an alleged violation of the Code of Ethics relating to the same transaction.

Standard of Practice 16.2 - Members shall not make any unauthorized disclosure of dissemination of the allegations, findings, or decision developed in connection with an ethics hearing or appeal.

Standard of Practice 16.3 - Members shall not obstruct the Board's disciplinary proceedings by instituting or threatening to institute actions for libel, slander, or defamation against any party to a professional standards proceeding or the witnesses thereof.

Standard of Practice 16.4 - Members shall not intentionally impede the Board's investigative or disciplinary proceedings by filing multiple ethics complaints based on the same event or transaction.

ARTICLE XVII

Member shall not engage in activities that constitute a practice unauthorized by law and shall recommend that legal counsel be obtained when the interest of any party to the transaction requires it.

ARTICLE XVIII

Members shall be careful at all times to present a true picture in their advertising and representations to the public. Members shall also insure that their status in the industry is clearly identifiable in any such advertising.

Standard of Practice 18.1 - Members shall make all advertising and sales promotions factually accurate with respect to equipment description, service performance, and cost of service and shall avoid those practices which tend to mislead or deceive the client with respect to pricing.

ARTICLE XIX

Members shall not engage in any practice or take any action inconsistent with the general practice of the industry.

Standard of Practice 19.1 - Members obtaining information about a specific client of another Member shall not convey this information to, nor invite the cooperation of a third party without the consent of the client or the other Member.

Standard of Practice 19.2 - Members shall not solicit a client which is currently under written contract with another Member. However, a Member may contact the client to secure such information as the expiration date and terms of the contract so that a bid may be made upon expiration date.

Standard of Practice 19.3 - The fact that a client has been contracted with a Member shall not preclude or inhibit any other Member from soliciting a new contract after the expiration date of the original.

Standard of Practice 19.4 - The fact that a client has exclusively used a Member in respect to past service creates no interest which precludes or inhibits any other Member from seeking such client's future business.

Standard of Practice 19.5 - In cooperative transactions Members shall compensate cooperating Members and shall not compensate, directly or indirectly, any other party or other parties without prior excess knowledge and consent of the cooperating Members.

Standard of Practice 19.6 - Article 18 does not preclude Members from making general announcements to potential clients describing their services and terms of availability even though some recipients may be exclusive clients of another Member. A general telephone canvass, general mailing or distribution addressed to all potential clients in a given geographical area or in a given profession, business club, or organization, or other classification or group is deemed "general" for purposes of this standard.

Article 18 is intended to recognize as unethical two basic types of solicitation: First, telephone or personal solicitations of clients who have been identified as having a written contract with another.

Second, mailings or other forms of written solicitations of clients under written contract to another Member.

Standard of Practice 19.7 - Members, prior to completing a written contract with a client, have an affirmative obligation to make reasonable efforts to determine whether the client is subject to a current, valid, exclusive agreement with another Member.

Standard of Practice 19.8 - Members, whether agents or subcontracting agents, shall disclose that relationship to a client as soon as practicable.

Standard of Practice 19.9 - Article 18 does not preclude Members from contacting a client of another Member for their purpose of offering to provide, or entering into a contract to provide, a different type of service unrelated to the type of service currently being provided. However, any offers of cooperation between Members may not be used to target a client in order to provide the same service.

Standard of Practice 19.10 - Members acting as subcontractors shall not use the terms of subcontracting for the purpose of soliciting a client.

ARTICLE XX

In providing service Members shall utilize the services of other Members with mutually agreed upon terms when doing so is in the best interest of the client. Negotiations concerning service which is under contract shall be carried on with the contracted Member, not with the client, except with the consent of the contracted Member.

Standard of Practice 20.1 - It is the obligation of the Member acting as a subcontractor to disclose immediately all pertinent facts to the contracted Member prior to as well as after the service is rendered.

Standard of Practice 20.2 - Members shall disclose all terms of agreement when subcontracting with another Member.

Standard of Practice 20.3 - Entitlement to and amount of compensation in a cooperative transaction between or among Members must be agreed upon before service is provided.

ARTICLE XXI

Members shall write all contract and warranties so that they are fair and mutually beneficial to all parties concerned, so that they are free of ambiguities or omissions which tend to obscure contractual obligations and so that all terms and provisions are free of the capacity to mislead or deceive the client as to the quality, longevity or cost of the service.

ARTICLE XXII

Members shall honor all contractual agreements until and unless they are altered or dissolved by the mutual consent of all contractual parties concerned and shall fulfill those obligations in a reasonable manner that is fair to all parties concerned.

ARTICLE XXIII

Members shall promptly acknowledge and act on all client complaints. In situations where complaints appear unreasonable and persistent, Members shall encourage the client to initiate or shall themselves initiate dispute settlement by the Board.

ARTICLE XXIV

Members shall treat all employees fairly in respect to working conditions and compensation.

ARTICLE XXV

Members shall not publicly disparage the business practice of a competitor nor volunteer an opinion of a competitor's service. If an opinion is sought and if a Member deems it appropriate to respond, such opinion shall be rendered with strict professional integrity and courtesy.

ARTICLE XXVI

Members shall refrain from any act intended to restrain or suppress competition and thereby shall promote the private enterprise system and its guaranty of equal rights for all.

ADDITIONAL NOTES

This code of ethics was accepted by the Board of Directors of the Virginia Limousine Association. The Code of Ethics will be attached by amendment to the by-laws of the Association upon ratification. Ratification requires acceptance by a simple majority of the membership.

Amendments to the Code of Ethics may be placed before the Board of Directors in writing by any member at any time. Upon approval by the Board, an amendment will be placed before the membership. Amendments will become part of the code of ethics upon approval by a simple majority of the membership.

GRIEVANCE PROCEDURE

Any grievance against any Member by another party shall be placed before the Board of Directors in writing. The Board shall then ask each party to provide all pertinent information about the grievance. After receiving and reviewing the information, the Board will determine whether the data submitted constitutes a case of grievance. The Board will then ensure the procedure outlined in *Standard of Practice 15.1*, is followed.