

BYLAW II – Remuneration Policy

1. Purpose
 - a. The purpose of this clause is to inform all Law Students' Association executive of their responsibility to act in an ethical manner that brings the best overall value to the Association and not to solicit and/or accept personal gain from any transaction.
2. Definition
 - a. "Kickback" as used in this clause means any money, fee, commission, credit, buyer points, gift, gratuity, thing of value, or compensation of any kind which is provided, directly or indirectly, to any executive member for the purpose of improperly obtaining or rewarding favorable treatment in connection with a contract or in connection with a subcontract.
3. Applicability
 - a. This policy is designed to work hand-in-hand with our other Codes of Ethics to ensure the University Of Alberta Law Students' Association is represented in a professional manner that brings the best value to the University and to our members, in all purchases.
4. Limitations
 - a. This policy shall include but not be limited to all University of Alberta Ethical polices such as 30. Code of Student Behaviour; inclusive of ss. 30.2.23 Professional Code of Ethics and 30.3.3(3) e¹ and as outlined in by General Faculty's council.

I. **General Recommendations**

- a. Gifts received by an executive in a position to make or influence purchasing decisions from industry should be related primarily to the executives work and/or produce a benefit to the general membership. Gifts should be items of no more than modest value. The LSA does not specify or recommend a particular dollar amount limit.

Executive members should use their judgment concerning an estimated value for a gift or entertainment in the "open market". Regardless, even gifts of no more than modest value should not be accepted frequently nor be received by large numbers of individuals.

Examples

Examples of appropriate gifts from industry that are not likely to cause a conflict of interest include:

- Pens, notepads, coffee mugs, and office snacks.
- Modest lunches or dinners.
- Complimentary upgrades (airline seat, accommodations, etc.) provided a substantial portion of the purchase price was paid by the executive.
- General Points/Rewards for modest purchases as part of general business reimbursements.

¹ obtaining or attempting to obtain favours, gifts, payments, pharmaceuticals or other consideration from patients, pupils, clients or third parties;

II. **Not Recommended**

- a. LSA executive members should err on the side of extreme caution when being offered the following from industry:
 - Cash or cash equivalents. These should never be accepted in the absence of actual services. This includes such items as gift certificates, coupons exchangeable for a gift of the recipient's choice, airline frequent flyer points, or vouchers covering the cost of uncompensated work.
 - Gifts of a substantial value, cash or in kind, directly or indirectly.
 - "Points" based rewards or gifts.

III. **General Guidance**

- a. Law Students' Association executives must be sensitive to assure appropriate interactions between themselves and the promotional and sales efforts with respect to industry interactions. In order to avoid allegations of illegality or impropriety, the LSA recommends that its members follow these basic principles with industry:
 - LSA members should use their judgment as those about to be legal professionals and err on the side of caution; if something feels uncomfortable, they should trust that instinct. (Smell test)
 - Compensation, in cash or in kind, provided by industry should never be accepted for work done on behalf of the LSA, additionally supported by the guidelines for not-for-profit organization.
 - The receipt of any compensation, in cash or in kind, or other promotional benefits should never be linked with any promise of future prescribing activity, future purchases or other types of support for products or return business.
 - Lavish gifts or entertainment, should not be accepted.

IV. **Recommended Questions LSA Executive Members Should Ask Themselves When Interacting With Industry**

- a. LSA recommends that whenever an executive member is approached by an industry representative, the executive member should ask himself or herself the following initial questions. If the answer to any of these questions is "yes," then the activity likely could be characterized as a conflict, inappropriate, or even as a legal or regulatory risk. In such instances, the LSA recommends that its executive exercise extreme caution and restructure their affairs accordingly.
 - Are you being offered a gift of more than token value by the company?
 - Did the presentation or "pitch" address the fact that you have historically been a repeat customer of that company's products/services? That is, has it been made obvious to you that the reason you have been selected as the recipient of a "perk" is the fact that you have been a repeat purchaser of the company's products/services?
 - Is the company proposing to provide some type of financial benefit to you, if you agree to switch from a competing product/service to that company's product/service?
 - Have I restructured the regular compensation scheme to receive a personal benefit? That is, was there an easier, more direct way to fulfill the financial obligation that brings about less personal conflict?
 - Do you feel an obligation to respond (for example, by purchasing the company's products/services) when offered a financial benefit from a company? That is, is the offer likely to affect (your) the LSA spending habits?