

PMI MEMBER ETHICAL STANDARDS MEMBER ETHICS CASE PROCEDURES

The following ethics case procedures are the only rules for processing possible violations of the ethical standards promulgated by the Project Management Institute (hereinafter referred to as “PMI” or the “Institute”). These procedures are applicable to members of PMI and those who are seeking PMI membership. PMI members and individuals seeking PMI membership understand and agree that these procedures are a fair process for resolving all ethics matters duly adopted by PMI; and they will be bound by decisions made, and requirements issued, pursuant to these procedures.

A. General Provisions

1. *Nature of the Process.* PMI has the only authority to resolve and end any ethics matter, regardless of circumstances. By applying for membership in the Institute, PMI members and applicants agree that they will accept the exclusive authority of the Institute to apply the *Member Code of Ethics*, *Member Standards of Conduct*, these *Member Ethics Case Procedures*, and other relevant PMI policies to resolve ethics matters.

These ethics procedures are not a formal legal process; therefore, many legal rules and practices are not observed, and the procedures are designed to operate without the assistance of attorneys. Any individual, of course, may be represented by an attorney with respect to an ethics matter. If an individual has retained an attorney, that attorney may be directed to communicate with the Institute through PMI’s General Counsel or retained outside counsel. Individuals are encouraged to communicate directly with the Institute. The Institute may use the services of PMI’s General Counsel or retained outside counsel at its discretion.

The *Member Code of Ethics*, *Member Standards of Conduct*, and these *Member Ethics Case Procedures* are designed to ensure full compliance by PMI’s members and applicants with generally accepted standards of integrity and fair dealing. At the same time, the *Member Code of Ethics*, *Member Standards of Conduct*, and these *Member Ethics Case Procedures* are designed to protect members and applicants, through the use of reasonable due process procedures, against patently false, malicious or groundless accusations that could result in significant harm if not properly handled.

While the operation and enforcement of its Member Ethics Program demonstrates the Institute’s commitment to enhancing the ethics among project managers, it should not be construed in any manner as a guarantee or certification of the competency and/or professional qualities of PMI’s members. Rather, this program is designed to encourage the maintenance of ethical standards and to enforce such standards in those instances when a potential violation is brought to the attention of the Institute.

2. *Participants.* Ethics cases may be decided by the PMI Ethics Review Committee (hereinafter, the “Review Committee”), the Ethics Appeals Committee, and/or any authorized designee of either committee. A PMI member or applicant who is the subject of an ethics complaint or investigation will be identified as the Respondent. The person(s) initiating an ethics complaint (who may or may not be a PMI member) will be identified as the Complainant(s).
3. *Time Requirements.* The Institute will make every reasonable effort to follow the time requirements noted in these procedures. However, the Institute’s failure to meet a time requirement will not prohibit the final resolution of any ethics matter, or otherwise prevent PMI from acting under these procedures. Participants are required to comply with all time requirements specified in these procedures. Time extensions or postponements may be granted by the Institute if a timely written request explains a reasonable cause.
4. *Relaxation of Requirements/Global Accommodations.* In light of the global nature of the international project management community, including differences related to the language,

custom, geographic location, and other characteristics of PMI members and applicants, the Institute recognizes that PMI members and applicants may have difficulty meeting certain time or other requirements in these procedures. Accordingly, a PMI member or applicant may submit to the Chief Executive Officer a written request for an extension of one or more of the time requirements, or a reasonable accommodation related to matters of language, custom, geographic location, or the like. The Chief Executive Officer will forward such requests to the Chair of the Review Committee or the Chair of the Ethics Appeal Committee, as applicable, who will make a reasonable and appropriate determination as to whether to grant the request, in whole or in part, in the Chair's sole discretion.

5. Litigation/Other Proceedings. The Institute shall delay the investigation, hearing and resolution of any ethics complaint when civil or criminal litigation or other proceedings related to the complaint are before a court, regulatory agency, or other governmental body. The Institute may, at its option, accept and resolve ethics complaints when proceedings are also before another professional body.
6. Improper Disclosure. The Institute may issue any appropriate directive(s) and requirement(s) where a PMI member or applicant provides a misleading disclosure, or fails to disclose requested information related to: PMI membership; an ethics complaint; an ethics case; or similar matter. Where a discipline, order, directive, or other requirement is issued by the Institute under this Section, the member or applicant involved may seek review and appeal pursuant to these procedures.
7. Confidentiality. In order to protect the privacy of the parties involved in an ethics case, all material prepared by, or submitted to, the Institute will be confidential, unless otherwise authorized by these procedures. Among other information, the Institute will not consider the following materials to be confidential: materials which are disclosed as the result of a legal requirement; materials which are disclosed upon the written request of the member or applicant who is the subject of an ethics complaint or investigation, any information relating to the member or applicant which he/she expressly requests or allows in writing to be released to other professional organizations or third parties, and which is not otherwise confidential; and, all final published rulings, decisions, requirements, orders, and/or reports of the Review Committee or the Ethics Appeals Committee.
8. Failure to Cooperate. If any party refuses to fully cooperate with the Institute concerning matters arising under these procedures without good cause, the Institute may: terminate the ethics complaint of an uncooperative Complainant; or, impose any sanction or requirement included within these rules if a Respondent is uncooperative. Where a discipline, order, requirement, or other directive is issued by the Institute under this Section, the member or applicant involved may seek review and appeal pursuant to these procedures.
9. Resignation from the Institute. Should a Respondent relinquish PMI membership or withdraw an application during the course of any ethics case, the Institute shall cease consideration of the matter unless and until such time that the Respondent rejoins or attempts to rejoin the Institute, at which time the Complainant may re-file the complaint.

B. Submission of Ethics Complaints/Acceptance or Rejection.

1. Chief Executive Officer. Any person, group, organization, or, in appropriate cases, the Institute (Complainant), may initiate an ethics complaint. Each Complainant must submit to the Chief Executive Officer (a term which, for the purposes of these Case Procedures, shall include the person holding the position of Chief Executive Officer as well as any PMI staff member designated by the Chief Executive Officer) a complete Member Ethics Complaint Form, which shall include a detailed written description of the factual allegations supporting the ethics complaint, including the specific provisions of the *Member Code of Ethics* or *Member Standards of Conduct* relevant to the allegations set forth in the complaint. Anonymous complaints (where the Complainant is not identified) will be rejected.
2. Chief Executive Officer Complaint Rejection. The Chief Executive Officer may conclude in his/her sole discretion that the complaint: (1) contains facially unreliable or insufficient information, (2) is patently frivolous or trivial, (3) should be filed as a Grievance Complaint, (4) is the subject of litigation or other proceedings (see Section A.5. of these Case Procedures), and/or (5) is directed

against an individual who is not a member of PMI. If the Chief Executive Officer determines that an allegation or charge should not constitute a formal ethics complaint, the Chief Executive Officer will return all information submitted and notify the Complainant of the rejection and its basis by written correspondence. All such preliminary dispositions of complaints by the Chief Executive Officer shall be reported in writing immediately to the Review Committee Chair, and such written reports shall include a specific statement addressing whether the Chief Executive Officer, any other member of the PMI staff, or any other member of the PMI Board of Directors, was alleged in the complaint to have engaged in any manner of wrongdoing. The Review Committee may re-initiate the preliminarily dismissed complaint at its discretion.

3. Chief Executive Officer Complaint Acceptance. Upon a determination that an ethics complaint is appropriate, the Chief Executive Officer will forward the complaint to the Review Committee.
4. Ethics Review Committee. The Review Committee will be responsible for the investigation and resolution of each ethics complaint.
5. Ethics Review Committee Complaint Rejection. Upon receipt of a complaint, the Review Committee will determine whether sufficient detail is presented to constitute a formal ethics complaint, based upon the specific *Member Code of Ethics* or *Member Standards of Conduct* provisions identified by the complaint, and to permit the Review Committee to conduct an appropriate review. In order to determine whether to reject a complaint forwarded to the Review Committee by the Chief Executive Officer, the Review Committee shall consider whether: a proven complaint would constitute a violation of the specific Member Code of Ethics or Member Standards of Conduct provisions identified by the Complainant in the original submission; the passage of time since the alleged violation requires that the complaint be rejected; relevant, reliable information or proof concerning the charge is available; the Complainant is willing to provide testimony or other evidence concerning the complaint; and, there is reasonable cause to believe that the charge appears to be justified, considering the proof available.
6. Ethics Review Committee Complaint Acceptance. In the event that the Review Committee determines that a complaint should proceed, it shall issue a formal Ethics Complaint Notice identifying each *Member Code of Ethics* and *Member Standards of Conduct* violation alleged, and the supporting factual basis for each complaint. This Notice will be delivered to the Respondent, and will be marked *Confidential*. The Review Committee may request additional information to supplement or explain an allegation.
7. Appeal of Complaint Rejection Determination. Within forty-five (45) days of the mailing date of complaint rejection correspondence, the Complainant may appeal to the Ethics Appeals Committee by stating in writing the procedural errors he/she believes were made by the Chief Executive Officer or the Review Committee with respect to the charge rejection, if any; the specific provisions of the *Member Code of Ethics* and *Member Standards of Conduct* believed violated; and, the specific information he/she believes supports the acceptance of a complaint. The Ethics Appeals Committee will review the Complainant's appeal and issue a decision based upon the record. The Appeals Committee may accept the Chief Executive Officer's or Review Committee's decision and reject the complaint, or any part thereof; or, reverse the Chief Executive Officer's or Review Committee's decision and direct that a complaint be issued and the case resolved under these procedures.
8. Ethics Complaint Response. Within forty-five (45) days of the mailing date of an Ethics Complaint Notice, the Respondent must submit a completed Member Ethics Complaint Response Form to the Review Committee. The Ethics Complaint Response must include a full response to each complaint, and a copy of each document relevant to the resolution of the ethics complaint. The Review Committee may request additional information to supplement a response.
9. Complaint Referral. If the Review Committee determines that the factual allegations presented by a Complainant, or the information revealed by an investigation, may constitute a violation of *Member Code of Ethics* or *Member Standards of Conduct* provisions not directly related to those presented by the Complainant, the Review Committee may take any of the following actions: notify the Respondent of possible, unrelated Code or Standards violations, and any recommended corrective actions; refer the matter to the Complainant for review and possible re-submission of a revised or new complaint; refer the matter to other Institute, government, or professional bodies for

review; or, other appropriate actions/referrals. If the Review Committee determines that the factual allegations presented by the Complainant, or the information revealed by an investigation, may constitute a violation of one or more *Member Code of Ethics* or *Member Standards of Conduct* provisions by the Complainant, the Review Committee may take any of the following actions: notify the Complainant of possible Code or Standards violations, and any recommended corrective actions; refer the matter to the Respondent for review and possible submission of a complaint against Complainant; refer the matter to other Institute, government, or professional bodies for review; or, other appropriate actions/referrals.

C. Preliminary Actions and Orders.

Preliminary and Temporary Orders. The Review Committee, or the Ethics Appeals Committee, may require the Respondent to do, or to refrain from doing, certain acts by Preliminary and Temporary Order reasonably related to the complaint under consideration pending the final resolution of the case or investigation. Such orders may include, but are not limited to, a requirement that the Respondent voluntarily and immediately cease from representing himself or herself as a PMI member or applicant, or as otherwise associated with the Institute until further notice; or, a restriction that the Respondent may not pursue a PMI position or office pending the final resolution of the ethics matter under review. The Review Committee or the Ethics Appeals Committee may discipline a Respondent who fails to comply with a Temporary or Preliminary Order. Preliminary and Temporary Orders are not subject to appeal, but may be reconsidered by the Committees upon written request of the Respondent presenting substantial reasons that the order is no longer necessary.

D. Ethics Review Committee Hearings.

1. *Ethics Review Committee.* The PMI Board of Directors will appoint at least seven (7) PMI members to serve as the Review Committee to investigate and resolve ethics complaint matters. The PMI Chair, with Board of Directors approval, will appoint a Committee Chair from the seven members, who will supervise the work of the Committee. The Chair may appoint one or more Vice-Chairs to assist him/her, and also to preside over each Ethics Hearing. As directed by the Committee Chair, a Review Team of three (3) disinterested members of the Review Committee will be assigned to each case, will review the documentation provided, and will engage in independent fact-finding to the extent necessary in order to clarify, expand or corroborate the information provided by its submitter. The Review Team may be assisted by PMI staff, legal counsel, and/or outside experts, provided that no such staff person, legal counsel, or outside expert has any actual or apparent conflict of interest with respect to the matter and provided that such individuals agree to maintain the complete confidentiality of the investigation. The Complainant and/or the Respondent may be contacted by the Review Team or its agents for additional information with respect to the complaint. In addition, the Review Team or its agents may contact such other individuals who may have knowledge of the facts and circumstances surrounding the complaint.
2. *Charges.* Upon completion of its review, the Review Team then shall determine whether the complaint warrants the bringing of charges against the Respondent. If the Review Team concludes that charges should be brought, it shall prepare written charges and a written report explaining the alleged aggrieved conduct and why such conduct constitutes grounds for disciplinary action. If the Review Team concludes that no charges should be brought, then it shall dismiss the complaint without prejudice and so notify the Respondent and the Complainant in writing. All such dispositions of complaints shall be reported immediately in writing to all members of the Review Committee, with a copy to the Chief Executive Officer and to PMI's general counsel.
3. *Hearing Schedule, Notice, and Attendance.* If the Review Team determines that charges should be brought, then a hearing date, time, and location for each ethics case will be scheduled by the Review Committee in consultation with the Respondent, and the Respondent will be notified in writing. The Respondent may attend the hearing in person or via telephone conference, where all participants will be able to communicate with each other. The Complainant shall not be considered a party in the Ethics Hearing; however, the Review Committee shall provide to the Complainant notice of and an opportunity to attend the hearing.

4. Participation of Legal Representatives/Conduct of the Hearing. Upon request by the Review Committee, the PMI Chair, or the PMI Board of Directors, the PMI Legal Counsel shall be available to assist the Committee at an Ethics Hearing. The Review Committee Chair shall preside at the Ethics Hearing, and the Review Team shall be responsible for setting forth the charges. Legal or other representatives of the Respondent do not have such privilege and are bound by the determinations and rulings of the Review Committee and PMI Legal Counsel. No formal legal rules of evidence, cross-examination, oath, and other procedures will apply to hearings. The Respondent, or a legal representative, will be permitted to ask questions of witnesses at the discretion of the Review Committee. Objections relating to relevance of information and other procedural issues will be decided by the Review Committee and these decisions are not subject to appeal.
5. Hearing Record. A taped, written or other record of the Ethics Hearing will be made by the Review Committee, another PMI representative, or a stenographer/recorder, as determined by the Review Committee.
6. Hearing Expenses. The Respondent will be responsible for his/her expenses associated with an ethics investigation or case, including the costs associated with any witnesses or legal counsel. The Institute will bear other general costs of conducting the Ethics Hearing, including costs associated with the activities of PMI representatives.
7. Closing of the Hearing Record. Any Ethics Hearing may proceed to a conclusion and decision, whether or not the Respondent is present, based on the appropriate written record, as determined by the Review Committee. The Review Committee will review the hearing record, as well as any submissions presented by the Respondent and other relevant information, and thereafter, will determine the outcome of the ethics case by majority vote of Review Committee members who were not members of the Review Team in a closed session. The quorum requirement for such a vote shall be three (3) of the Review Committee's members who were not members of the Review Team. The hearing record will be closed following the conclusion of the hearing, unless otherwise directed by the Review Committee Chair or a Vice-Chair.
8. Ethics Review Committee Decision and Order. A Decision and Order will be prepared by the Review Committee after the closing of the record, which will include a summary of the case, including the positions of the Respondent and the Complainant; a summary of relevant factual findings based on the record of the hearing; a final ruling on the *Member Code of Ethics* and *Member Standards of Conduct* violations charged; and, a statement of any corrective or disciplinary action(s), and other directives issued by the Review Committee. Copies of the Review Committee Decision and Order shall be sent to the Respondent and the Complainant. The Respondent and the Complainant also will be notified that the final decision may be published consistent with the requirements of these procedures.
9. Disciplinary Actions Available. When a Respondent is found to have violated one or more provisions of the *Member Code of Ethics* or *Member Standards of Conduct*, the Institute may issue and order one or more of the following disciplinary or remedial actions:
 - 9.a. The denial and rejection of any PMI membership application;
 - 9.b. Private reprimand and censure, including any appropriate conditions or directives;
 - 9.c. Public reprimand and censure, including any appropriate conditions or directives;
 - 9.d. Membership probation for any period up to three (3) years, including any appropriate restrictions or conditions concerning membership rights and any other conditions or directives;
 - 9.e. Suspension of membership status for a period of no less than six (6) months and no more than three (3) years, including any appropriate conditions or directives;
 - 9.f. Termination of membership and expulsion from the Institute, such expulsion which may be permanent or may be for a period greater than three (3) years but less than permanent.

E. Ethics Appeals Committee/Appeals.

1. Time Period for Submitting Appeal. Within forty-five (45) days of the mailing date of an adverse Review Committee Decision and Order, the Respondent may submit to the PMI Chief Executive Officer a written appeal of all or a portion of the Decision and Order consistent with the requirements of these procedures. The Chief Executive Officer will forward the appeal to the Ethics Appeals Committee Chair for review, consideration, and assignment.
2. Grounds for Appeal. An adverse Review Committee Decision and Order may be reversed or otherwise modified by the Ethics Appeals Committee. However, the grounds for appeal of an adverse decision are strictly limited to the following:
 - 2.a. Procedural Error. The Review Committee misapplied a procedure contained in these rules, and the misapplication prejudiced the Respondent.
 - 2.b. New or Previously Undiscovered Information. Following the closing of the Hearing Record, the Respondent has located relevant proof that was not previously in his/her possession; was not reasonably available prior to closure of the record; and, could have affected the Review Committee decision.
 - 2.c. Misapplication of the Code of Ethics or Standards of Conduct. The Review Committee misapplied the provisions of the *Member Code of Ethics* or *Member Standards of Conduct*, and the misapplication prejudiced the Respondent.
 - 2.d. Contrary to the Information Presented. The Review Committee decision is contrary to the most substantial information provided in the record.
 - 2.e. With respect to Subsections 2.a. and 2.c. above, the Ethics Appeals Committee will consider only arguments that were presented to the Review Committee prior to the closing of the Hearing Record.
3. Contents of Appeal Letter. The Respondent must submit to the PMI Chief Executive Officer a letter or other written document directed to the Ethics Appeals Committee, and the Review Committee, which contains the following information and material: the ethics case name; the docket number and date of the Review Committee Decision; a statement and complete explanation of the reasons for the appeal under Section E.2, including an explanation and basis for any request concerning a reduction in the discipline issued by the Review Committee; and, copies of any material supporting the appeal.

F. Ethics Appeals Committee/Appeal Hearings.

1. Ethics Appeals Committee. The PMI Board of Directors will appoint at least seven (7) PMI members to serve as the Ethics Appeals Committee to resolve ethics appeals. The PMI Chair, with Board of Directors approval, will appoint a Committee Chair from the seven members, who will supervise the work of the Appeals Committee. The Chair may appoint one or more Vice-Chairs to assist him/her, and to also preside over each Appeal Hearing. As directed by the Committee Chair, three (3) disinterested members of the Appeals Committee will be assigned to each case, and will have full authority to convene, preside over, continue, decide, and conclude an ethics appeal.
2. Appeal Hearings. Following receipt of a complete and proper written appeal, the Ethics Appeals Committee will schedule a date on which to conduct an Appeal Hearing, and the Respondent, the Complainant, and the Review Committee will be notified in writing at least forty-five (45) days in advance of the scheduled date. The Appeals Committee will review the hearing record, as well as any appeal submissions presented by the Respondent and/or the Review Committee and other relevant information, and thereafter will determine and resolve the appeal by majority vote in a closed session.
3. Ethics Appeals Committee Decision and Order. Following the conclusion of an Appeal Hearing, the Ethics Appeals Committee will issue an Appeal Decision and Order stating: the outcome and resolution of the appeal, including a summary of relevant portions of the Review Committee Decision and Order; a summary of any relevant procedural or factual findings made by the Appeals Committee; the Ethics Appeals Committee's ruling(s) and decision(s) with respect to the matters under appeal; and, the Appeals Committee's final Decision and Order accepting, affirming,

reversing, amending, or otherwise modifying any portion of the Review Committee Decision and Order, including any final disciplinary action or sanction issued by the Appeals Committee. Copies of the Ethics Appeals Committee Decision and Order shall be sent to the Respondent, the Complainant, and the Review Committee. The Respondent, the Complainant, and the Review Committee also will be notified that the final decision may be published, consistent with the requirements of these procedures.

G. Finalizing Ethics Cases.

1. Events Which Will Cause Closure of an Ethics Case. An ethics case will be closed when any of the following occur: the ethics complaint has been rejected pursuant to these procedures; a final decision has been issued by the Review Committee without appeal pursuant to these procedures; a final decision has been issued by the Ethics Appeals Committee pursuant to these procedures; or, an ethics complaint has been terminated or withdrawn by the Complainant(s).
2. Events Which Will Cause an Ethics Case Decision and Order to Become Final. The Ethics Case Decision and Order issued by the Review Committee that is not appealed within the prescribed time requirements will be considered final. The Ethics Case Decision and Order issued by the Ethics Appeals Committee will be considered final.
3. Referral and Notification Actions. PMI may notify appropriate governmental, professional, or similar bodies of any actions taken concerning a Respondent by sending a copy of the final Ethics Case Decision and Order issued by the Review Committee and/or the Ethics Appeals Committee, or by sending another appropriate notice. This notification may be done at any point after the time period for the Respondent to appeal an adverse decision has elapsed (but not before). During the appeal period, the Institute may respond to inquiries regarding the existence of ethics cases and indicate the existence of such proceedings.
4. Publication of Final Disciplinary Action. PMI may publish a notification of a final Ethics Case Decision and Order following the issuance of a Review Committee or Ethics Appeals Committee decision or ruling. This notification may be published following the conclusion of any appeals available to the Respondent.

H. Probation and Suspension Orders/Reinstatement Procedures.

1. Probation Orders/Reinstatement or Referral. Following the expiration of a final decision/order which includes a probation requirement under these procedures, the Review Committee will determine whether the Respondent has satisfied the terms of the probation order, and will do the following: if the Respondent has satisfied the terms of probation in full, the Review Committee will immediately verify that the probation has been completed and reinstate the individual to full membership status following the acceptance of a complete membership application and full payment of all membership dues; or, if the Respondent has not satisfied the terms of probation in full, the Review Committee will issue any appropriate action consistent with these procedures, including, but not limited to, the imposition of an additional probation term(s).
2. Suspension Orders/Reinstatement Requests. After the expiration of a final decision/order which includes a suspension requirement issued under these procedures, a Respondent may submit to the Review Committee a request for membership reinstatement, which will consist of a written statement including: the relevant ethics case name, docket number, and the date that the final Ethics Decision and Order was issued; a statement of the reasons that support or justify the acceptance of the reinstatement request; and, copies of any relevant documentary or other material supporting the request.
3. Ethics Review Committee Reinstatement Request Decisions. Following the submission of a complete membership reinstatement request, the Review Committee will schedule and conduct a hearing to review and rule on the request. During these deliberations, the Review Committee will review the information presented by the Respondent and any other relevant information, and prepare and issue a final Decision and Order stating whether: the request is granted, denied, or continued to a later date; and, if appropriate, any conditions of membership. Copies of the Review Committee Decision and Order will be sent the Respondent and the Complainant. While no appeal

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of the Decision and Order is permitted, the Respondent may submit a new request pursuant to this Section one (1) year or more after the issuance of the Review Committee Decision and Order rejecting the request.

I. Educating PMI's Members Regarding Ethics Enforcement.

Regardless of the final disposition of a particular ethics case, the Review Committee may recommend that the Institute publish relevant facts regarding the case for the benefit of PMI's membership. Except in the event that the Institute issues a disciplinary order requiring public reprimand and censure and the time for appealing such order has passed and either no appeal was filed or the appeal was heard and rejected pursuant to these procedures, such publication shall be made in a redacted manner so that individuals are neither expressly identified nor otherwise identifiable through other facts and circumstances. In the event that the facts surrounding a particular ethics case are such that even the publication of a redacted version would result in one or more individuals being identifiable, then the Review Committee shall not recommend publication, unless pursuant to a disciplinary order.

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