

1 **COLUMBIA ASSOCIATION, INC.**  
2  
3 **POLICY FOR REPORTING VIOLATIONS**  
4 **OF**  
5 **THE CODE OF BUSINESS CONDUCT AND ETHICS**  
6 **AND**  
7 **THE CONFLICTS OF INTEREST POLICY ~~FOR~~**  
8 **~~DIRECTORS, OFFICERS, AND SENIOR LEADERSHIP TEAM~~**  
9

10  
11 **Introduction**

12  
13 Columbia Association, Inc. (“CA”) is committed to maintaining a work environment  
14 conducive to ethical conduct, open communication and integrity with respect to its business  
15 practices. Further, CA is committed to compliance with the laws and regulations to which it is  
16 subject and to promulgating policies to promote adherence to these laws and regulations. Laws,  
17 regulations, policies and practices strengthen and promote ethical practices and ethical treatment  
18 of members of the CA community and those to whom CA provides services.  
19

20 In order to further CA’s commitment in this regard, this Policy for Reporting Violations of  
21 the Code of Business Conduct and Ethics and the Conflicts of Interest Policy ~~for Directors,~~  
22 ~~Officers, and Senior Leadership Team~~ (this “*Policy*”):  
23

- 24
- 25 • Establishes a procedure for making verbal or written complaints and reports under CA’s  
26 *Code of Business Conduct and Ethics* (the “*Ethics Code*”) and CA’s *Conflicts of Interest*  
27 *Policy ~~for Directors, Officers, and Senior Leadership Team~~* (the “*Conflicts Policy*”) and  
28 otherwise with respect to CA’s operational practices or allegedly fraudulent and/or  
29 unethical business practices.
  - 30 • Establishes a procedure for the receipt, review and possible investigation of and response  
31 to such complaints.
  - 32
  - 33 • Establishes a procedure for the retention of records concerning all such complaints and any  
34 investigation, resolution or report regarding the complaint.
  - 35
  - 36 • Makes clear CA’s intention to discipline by appropriate means, up to and including  
37 termination, any person whom CA determines (a) engaged in discriminatory or retaliatory  
38 conduct toward any person making a complaint under this Policy, or (b) impeded any  
39 investigation of a complaint of illegal or unethical conduct.
  - 40

41 The procedures under this Policy are intended to:

- 42
- 43 • Provide avenues to report alleged illegal or unethical activities to management and the  
44 Board of Directors.
- 45

- 1 • Enable management and the Audit Committee of the Board of Directors to be informed at  
2 an early stage regarding alleged illegal or unethical activities.  
3
- 4 • Reassure those who make good faith complaints that they will be protected from  
5 discriminatory or retaliatory treatment.  
6
- 7 • Maintain a culture of openness, accountability and integrity at CA.  
8

9 Please note that issues related to individual employment, including claims of discrimination,  
10 harassment or other allegedly unfair or improper treatment, are covered by the applicable policies  
11 set forth in CA's *Team Member Handbook*.

12  
13 **1. Making a Complaint:** Any person may report allegations of suspected illegal or unethical  
14 conduct.

- 15  
16 (a) Complaints by CA Personnel. Any CA team member, team leader, officer or  
17 director (collectively, "*CA Personnel*") who becomes aware of illegal conduct,  
18 such as misuse of CA funds, a possible criminal act, a significant threat to the health  
19 and safety of others, or believes that illegal conduct may take place in the future,  
20 must promptly report the matter. Any member of the Board of Directors of CA  
21 (each, a "*Board Member*" and collectively, the "*Board Members*") or any officer  
22 or member of the Senior Leadership Team (each, a "*Senior Management*  
23 *Member*" and collectively, the "*Senior Management Members*") is likewise  
24 required to report unethical conduct, such as a conflict of interest, a matter that is  
25 likely to receive adverse media attention or publicity, or a matter that is sufficiently  
26 significant or sensitive so as to adversely affect CA's operations or CA's standing  
27 in the community. All other CA Personnel are strongly encouraged to report  
28 unethical conduct or such other matters. Such complaints shall be made as follows:  
29  
30 (i) The complaint should be made to CA's principal ethics officer (the "*PEO*")  
31 subject to the application of Section 1(a)(ii) below. The PEO of CA is  
32 presently CA's General Counsel.  
33  
34 (ii) If a complaint concerns the PEO, it should be made directly to CA's  
35 President. If a complaint concerns CA's President or a Board Member  
36 (other than the Chair of the Board of Directors), the complaint should be  
37 made directly to the Chair of the Board of Directors for consideration by the  
38 full Board of Directors. If a complaint concerns the Chair of the Board of  
39 Directors, it should be made to the Chair of the Audit Committee of the  
40 Board of Directors for consideration by the full Audit Committee.  
41  
42 (iii) Complaints involving human resources matters should be reported to the  
43 director of human resources.  
44  
45 (b) Complaints by persons other than CA Personnel. Any person who is not a member  
46 of CA Personnel who becomes aware of illegal or unethical conduct, or believes

1 that illegal or unethical conduct may take place in the future, may report the matter.  
2 Such complaints shall be made as follows:

3  
4 (i) The complaint should be made to the PEO, subject to the application of  
5 Section 1(b)(ii) below.

6  
7 (ii) If a complaint concerns the PEO, it should be made directly to CA's  
8 President. If a complaint concerns CA's President or a Board Member  
9 (other than the Chair of the Board of Directors), the complaint should be  
10 made directly to the Chair of the Board of Directors for consideration by the  
11 full Board of Directors. If a complaint concerns the Chair of the Board of  
12 Directors, it should be made to the Chair of the Audit Committee of the  
13 Board of Directors for consideration by the full Audit Committee.

14  
15 (c) If a complaint is received by a person other than the person designated in Sections  
16 1(a)(i) through 1(a)(iii) or 1(b)(i) and 1(b)(ii), it must be referred by the recipient to  
17 the appropriate designated person.

18  
19 (d) CA encourages that all complaints be made in writing so as to assure a clear  
20 understanding of the issues raised; however, complaints may also be made orally  
21 and by email. They should be factual rather than speculative or conclusory, and  
22 should contain as much specific information as possible to allow for proper  
23 assessment and to facilitate the investigative process. Complaints are encouraged at  
24 the earliest possible time relative to the alleged misconduct so that timely  
25 investigation and, if appropriate, action may be taken.

26  
27 (e) Complaints may be submitted anonymously or the person submitting the complaint  
28 may request confidentiality (see Section 2(f) below regarding limitations on  
29 confidentiality). Anonymous reports can be made by contacting the  
30 MySafeWorkplace ethics hotline at 800-461-9330 or  
31 www.MySafeWorkplace.com. A complaint made under this Policy is subject to the  
32 non-retaliation provisions of this Policy set forth below in Section 4.

33  
34 **2. Investigation of Reports; Corrective Action.** All complaints are to be considered as  
35 serious and shall be promptly addressed.

36  
37 (a) The PEO or other person designated in Section 1 above shall make an initial  
38 determination of whether an investigation of the allegations in the complaint is  
39 warranted. The PEO or other person designated in Section 1 above may determine  
40 that no investigation is warranted because, among other reasons, (i) the allegations  
41 in the complaint, even if true, do not amount to a violation of the Ethics Code or the  
42 Conflicts Policy; or (ii) the party about whom the allegations are made is no longer  
43 a CA team member, and neither other circumstances nor the nature of the  
44 allegations suggest that an investigation is warranted; or (iii) the allegations are so  
45 vague and unspecific that they are not credible or are not capable of being  
46 efficiently investigated; or (iv) the value of CA assets alleged in the complaint to

1 have been misused is negligible. If the PEO or other person designated in Section 1  
2 above determines that an investigation is not warranted, she or he within 30 days of  
3 receipt of the complaint shall report the complaint and the reasons for the  
4 determination not to investigate to the Audit Committee of the Board of Directors  
5 and CA's President, or other appropriate person as described in Section 1 above.  
6

7 (b) If the PEO or other person designated in Section 1 above upon review of the  
8 complaint determines that an investigation is warranted, he or she within 30 days of  
9 receipt of the complaint must inform the Audit Committee of the Board of  
10 Directors and CA's President about the complaint and how the investigation will be  
11 handled. If CA's President receives a complaint filed in compliance with Section 1  
12 and determines that an investigation is warranted, he or she within 30 days of  
13 receipt of the complaint must inform the Audit Committee of the Board of  
14 Directors about the complaint and how the investigation will be handled. If the  
15 Chair of the Board of Directors or the Chair of the Audit Committee of the Board of  
16 Directors receives a complaint filed in compliance with Section 1 and determines  
17 that an investigation is warranted, he or she within 30 days of receipt of the  
18 complaint must inform the Board of Directors about the complaint and how the  
19 investigation will be handled. The PEO or other person designated in Section 1  
20 above shall conduct the investigation or shall designate one or more appropriate  
21 individuals from within or outside CA to assist with and/or to conduct the  
22 investigation. CA may retain outside legal counsel to advise the investigators  
23 and/or to conduct the investigation. If a complaint is referred, or made directly, to  
24 the Board of Directors or Audit Committee of the Board of Directors under Section  
25 1(b)(ii) above, and the Board of Directors or Audit Committee of the Board of  
26 Directors requires the assistance of an outside entity (legal or otherwise) in  
27 conducting the investigation, such assistance should be obtained from individuals  
28 or entities with whom CA does not have an ongoing business/working relationship.  
29 The investigators may interview the person reporting the violation and any person  
30 whose conduct or actions are the subject of the complaint. Other persons with  
31 information that may be relevant may be interviewed in the discretion of the  
32 investigators. The PEO or other person designated in Section 1 will determine the  
33 manner in which the investigation will be conducted, and the extent of any  
34 communications with the person reporting the violation and any person whose  
35 conduct or actions are the subject of the report. The investigators shall not be  
36 governed or bound by technical rules of evidence or procedure. Persons and entities  
37 may be asked to provide documentation and oral, written, and/or transcribed  
38 statements. The investigators shall conduct further inquiry as they deem  
39 appropriate in order to review and address the concerns raised by the complaint or  
40 resulting from information learned during the investigation. The PEO or other  
41 person designated in Section 1 as responsible for the investigation, to the extent that  
42 they designate others to assist with or conduct the investigation, will monitor the  
43 investigation to help facilitate timely and thorough review of the allegations.  
44 Investigations shall be carried out in accordance with applicable laws and CA  
45 policies and procedures.  
46

- 1 (c) The PEO or other person designated in Section 1 as responsible for the  
2 investigation, following the completion of the investigation, shall prepare findings  
3 including but not limited to findings concerning whether any CA Personnel  
4 violated any aspect of the Ethics Code or the Conflicts Policy or any other CA  
5 policy, and shall provide recommendations, if appropriate. Those findings and  
6 recommendations shall be submitted as follows:  
7
- 8 (i) When the findings and recommendations are issued by the PEO, they shall  
9 be submitted to the Audit Committee of the Board of Directors and CA's  
10 President. CA's President shall determine what, if any, corrective action to  
11 take.  
12
  - 13 (ii) When the findings and recommendations are issued by CA's President, they  
14 shall be submitted to the Audit Committee of the Board of Directors. CA's  
15 President shall determine what, if any, corrective action to take.  
16
  - 17 (iii) When the findings and recommendations are issued by the Chair of the  
18 Board of Directors or the Chair of the Audit Committee of the Board of  
19 Directors, they shall be submitted to the Board of Directors, which shall  
20 determine what, if any, corrective action to take. Such determination shall  
21 be made by majority vote in accordance with the voting procedure stated in  
22 the Bylaws of CA.  
23
  - 24 (iv) The findings and recommendations shall normally be in a written report  
25 unless the PEO or other person designated in Section 1 determines that it is  
26 more appropriate to issue an oral report. Any corrective action taken  
27 pursuant to this Policy shall be set forth in writing and records of the  
28 corrective action shall be maintained by CA.  
29
- 30 (d) Corrective action for violation of this Policy, for impeding the filing of a complaint  
31 or the conduct of an investigation, or for retaliation for conduct protected by this  
32 Policy, may include appropriate discipline, up to and including termination of  
33 employment or, with respect to Board Members, such corrective action may  
34 include the Board of Directors' issuance of a reprimand or recommendation to the  
35 applicable Village Community Association that such Board Member be removed  
36 from the Board of Directors. In addition, the corrective action may include  
37 referring the information to an appropriate law enforcement agency if the  
38 investigation uncovers evidence of possible criminal conduct, and/or instituting  
39 civil action to recover damages, loss or expenses incurred by CA.  
40
- 41 (e) In the event that the corrective action to be taken as provided in Sections 2(c) and  
42 2(d) above includes probation, suspension, reduction in compensation, demotion,  
43 and/or termination from employment, or, with respect to Board Members, the  
44 Board of Directors' issuance of a reprimand or recommendation to the applicable  
45 Village Community Association that such Board Member be removed from the  
46 Board of Directors, the CA Personnel shall be given an opportunity to discuss with,

1 or submit in writing to the person who determines the corrective action, his or her  
2 request for reconsideration of the corrective action and the reasons for such  
3 reconsideration prior to the corrective action becoming effective.  
4

- 5 (f) The complaint, investigation, and report of the findings and recommendations shall  
6 remain confidential to the extent that confidentiality is reasonably consistent with a  
7 proper investigation of the complaint, not in violation of the rights of another  
8 person, and not in conflict with any action necessitated by the report or CA policy.  
9
- 10 (g) All CA Personnel have an obligation to cooperate with investigations initiated  
11 under this Policy.  
12
- 13 (h) CA Personnel may be placed on leave, suspended, or reassigned pending the  
14 outcome of any investigation if the PEO or other person designated in Section 1 as  
15 responsible for the investigation, or CA management, makes a determination that  
16 (i) the complaint raises such serious allegations that such interim action is  
17 warranted; (ii) such interim action is warranted due to conduct by the person(s)  
18 under investigation; and/or (iii) such action is warranted as a result of related  
19 factors such as safety, workplace productivity, risk of retaliation, or the need to  
20 separate persons involved in or the subject of the investigation. Investigatory  
21 matters may also be referred to local enforcement officials where appropriate.  
22

23 **3. Records.** The PEO shall maintain a written record of all complaints made under this Policy  
24 that shall identify the receipt of the complaint, the investigation if any, the report to the Audit  
25 Committee of the Board of Directors or Board of Directors, and the ultimate resolution, and  
26 include all documentation relating to the report. (If the complaint concerns the PEO, the record  
27 shall be maintained by CA's President or other appropriate person designated by CA's President.)  
28 A summary of reporting activity shall be prepared by the PEO and submitted to CA's President  
29 and Audit Committee of the Board of Directors at such intervals as they shall determine. The Audit  
30 Committee of the Board of Directors will notify the Board of Directors of reporting activity when  
31 they determine such communication is necessary. Appropriate modifications shall be made to this  
32 preparation and submission process if the report concerns the PEO, CA's President, or Board  
33 Members. Consistent with Section 2(f) above, all records referred to in this Section shall remain  
34 confidential.  
35

36 **4. Non-Retaliation.** CA is committed to protecting individuals from interference,  
37 discrimination or retaliation for having made a good faith report under this Policy. No adverse  
38 action may be taken and retaliation is strictly prohibited, including, without limitation,  
39 intimidation, harassment, discrimination, coercion, or otherwise, whether express or implied,  
40 against any CA Personnel who make a good faith report under this Policy or assist in an  
41 investigation of, or the fashioning or implementation of any corrective action or response made in  
42 connection with, any complaint. Any retaliation or attempted retaliation against any party making  
43 a report in good faith will be punished severely. After a report has been received from a CA team  
44 member, the PEO or other person designated in Section 1 as responsible for the investigation shall  
45 review the work environment, the supervisory structure, performance evaluation arrangements,  
46 and other matters relating to the personnel making the report, and may consult with Senior

1 Management Members in order to make a determination regarding whether adjustments in  
2 supervision, job location or other job aspects should be made in order to reduce the risk of  
3 retaliation. It is the intention of CA to take whatever action may be deemed appropriate to prevent  
4 and correct activities that violate this Policy. Reports of retaliatory or discriminatory actions or  
5 interference should be reported as any other act reportable under this Policy.  
6

7 CA encourages CA Personnel to raise concerns in good faith. However, CA Personnel who  
8 knowingly file misleading, false or malicious complaints will not be protected by this Policy and  
9 may be subject to disciplinary action which may include termination of service with CA.  
10

11 **5. Interpretation.** The interpretation, application and operation of this Policy are the  
12 responsibility of the PEO and CA's President.  
13

14 **6. Policy Distribution.** A copy of this Policy will be distributed to all CA Personnel promptly  
15 following the adoption of or amendments to this Policy, and at such time as a person becomes a  
16 member of CA Personnel.  
17

18  
19 **Approved by the CA Board of Directors on February 26, 2009**

20 **Revised and approved by the CA Board of Directors on July 7, 2011**

21 **Revised and approved by the CA Board of Directors on [ \_\_\_\_\_ ], ~~2015~~2016**  
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