

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**  
8  
9

10 **Introduction**

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

19 In order to further CA’s commitment in this regard, this Policy for Reporting Violations  
20 of the Code of Business Conduct and Ethics and the Conflicts of Interest Policy (this “*Policy*”):  
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- 22
- 23 • Establishes a procedure for making verbal or written complaints and reports under CA’s  
24 *Code of Business Conduct and Ethics* (the “*Ethics Code*”), ~~and~~ CA’s *Conflicts of*  
25 *Interest Policy* (the “*Conflicts Policy*”), CA’s Special Requirements for Members of the  
26 *Board of Directors*, and otherwise with respect to CA’s operational practices or allegedly  
27 fraudulent and/or unethical business practices.
  - 28 • Establishes a procedure for the receipt, review and possible investigation of and response  
29 to such complaints.
  - 30
  - 31 • Establishes a procedure for the retention of records concerning all such complaints and  
32 any investigation, resolution or report regarding the complaint.  
33
  - 34 • Makes clear CA’s intention to discipline by appropriate means, up to and including  
35 termination, any person whom CA determines (a) engaged in discriminatory or retaliatory  
36 conduct toward any person making a complaint under this Policy, or (b) impeded any  
37 investigation of a complaint of illegal or unethical conduct.  
38

39 The procedures under this Policy are intended to:

- 40
- 41 • Provide avenues to report alleged illegal or unethical activities to management and the  
42 Board of Directors.
  - 43
  - 44 • Enable management and the Audit Committee of the Board of Directors to be informed at  
45 an early stage regarding alleged illegal or unethical activities.  
46

- 1 • Reassure those who make good faith complaints that they will be protected from  
2 discriminatory or retaliatory treatment.  
3
- 4 • Maintain a culture of openness, accountability and integrity at CA.  
5

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

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

13 (a) Complaints by CA Personnel. Any CA team member, team leader, officer or  
14 director (collectively, "*CA Personnel*") who becomes aware of illegal conduct,  
15 such as misuse of CA funds, a possible criminal act, a significant threat to the  
16 health and safety of others, or believes that illegal conduct may take place in the  
17 future, must promptly report the matter. Any member of the Board of Directors of  
18 CA (each, a "*Board Member*" and collectively, the "*Board Members*") or any  
19 officer or member of the Senior Leadership Team (each, a "*Senior Management*  
20 *Member*" and collectively, the "*Senior Management Members*") is likewise  
21 required to report unethical conduct, such as a conflict of interest, a matter that is  
22 likely to receive adverse media attention or publicity, or a matter that is  
23 sufficiently significant or sensitive so as to adversely affect CA's operations or  
24 CA's standing in the community. All other CA Personnel are strongly encouraged  
25 to report unethical conduct or such other matters. Such complaints shall be made  
26 as follows:  
27

28 (i) The complaint should be made to CA's principal ethics officer (the  
29 "*PEO*") subject to the application of Section 1(a)(ii) below. The PEO of  
30 CA is presently CA's General Counsel.  
31

32 (ii) If a complaint concerns the PEO, it should be made directly to CA's  
33 President. If a complaint concerns CA's President or a Board Member  
34 (other than the Chair of the Board of Directors), the complaint should be  
35 made directly to the Chair of the Board of Directors for consideration by  
36 the full Board of Directors. If a complaint concerns the Chair of the Board  
37 of Directors, it should be made to the Chair or Vice-Chair (whichever is a  
38 CA board member) of the Audit Committee of the Board of Directors for  
39 consideration by the full Audit Committee.  
40

41 (iii) Complaints involving human resources matters should be reported to the  
42 director of human resources.  
43

44 (b) Complaints by persons other than CA Personnel. Any person who is not a  
45 member of CA Personnel who becomes aware of illegal or unethical conduct, or

1 believes that illegal or unethical conduct may take place in the future, may report  
2 the matter. 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  
11 the full Board of Directors. If a complaint concerns the Chair of the Board  
12 of 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  
16 Sections 1(a)(i) through 1(a)(iii) or 1(b)(i) and 1(b)(ii), it must be referred by the  
17 recipient to 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  
24 at 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  
28 complaint may request confidentiality (see Section 2(f) below regarding  
29 limitations on confidentiality). Anonymous reports can be made by contacting  
30 the MySafeWorkplace ethics hotline at 800-461-9330 or  
31 www.MySafeWorkplace.com. A complaint made under this Policy is subject to  
32 the 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  
41 allegations in the complaint, even if true, do not amount to a violation of the  
42 Ethics Code or the Conflicts Policy; or (ii) the party about whom the allegations  
43 are made is no longer a CA team member, and neither other circumstances nor the  
44 nature of the allegations suggest that an investigation is warranted; or (iii) the  
45 allegations are so vague and unspecific that they are not credible or are not  
46 capable of being efficiently investigated; or (iv) the value of CA assets alleged in

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

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

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

1 Village Community Association that such Board Member be removed from the  
2 Board of Directors, the CA Personnel shall be given an opportunity to discuss  
3 with, or submit in writing to the person who determines the corrective action, his  
4 or her request for reconsideration of the corrective action and the reasons for such  
5 reconsideration prior to the corrective action becoming effective.  
6

- 7 (f) The complaint, investigation, and report of the findings and recommendations  
8 shall remain confidential to the extent that it is still possible to conduct  
9 confidentiality is reasonably consistent with a proper investigation of the  
10 complaint, ~~not in violation of the rights of another person,~~ and such  
11 confidentiality does not ~~in~~ conflict with any action necessitated by the report or  
12 CA policy.  
13
- 14 (g) All CA Personnel have an obligation to cooperate with investigations initiated  
15 under this Policy.  
16
- 17 (h) CA Personnel may be placed on leave, suspended, or reassigned pending the  
18 outcome of any investigation if the PEO or other person designated in Section 1  
19 as responsible for the investigation, or CA management, makes a determination  
20 that (i) the complaint raises such serious allegations that such interim action is  
21 warranted; (ii) such interim action is warranted due to conduct by the person(s)  
22 under investigation; and/or (iii) such action is warranted as a result of related  
23 factors such as safety, workplace productivity, risk of retaliation, or the need to  
24 separate persons involved in or the subject of the investigation. Investigatory  
25 matters may also be referred to local enforcement officials where appropriate.  
26

27 **3. Records.** The PEO shall maintain a written record of all complaints made under this  
28 Policy that shall identify the receipt of the complaint, the investigation if any, the report to the  
29 Audit Committee of the Board of Directors or Board of Directors, and the ultimate resolution,  
30 and include all documentation relating to the report. (If the complaint concerns the PEO, the  
31 record shall be maintained by CA's President or other appropriate person designated by CA's  
32 President.) A summary of reporting activity shall be prepared by the PEO and submitted to CA's  
33 President and Audit Committee of the Board of Directors at such intervals as they shall  
34 determine. The Audit Committee of the Board of Directors will notify the Board of Directors of  
35 reporting activity when they determine such communication is necessary. Appropriate  
36 modifications shall be made to this preparation and submission process if the report concerns the  
37 PEO, CA's President, or Board Members. Consistent with Section 2(f) above, all records  
38 referred to in this Section shall remain confidential.  
39

40 **4. Non-Retaliation.** CA is committed to protecting individuals from interference,  
41 discrimination or retaliation for having made a good faith report under this Policy. No adverse  
42 action may be taken and retaliation is strictly prohibited, including, without limitation,  
43 intimidation, harassment, discrimination, coercion, or otherwise, whether express or implied,  
44 against any CA Personnel who make a good faith report under this Policy or assist in an  
45 investigation of, or the fashioning or implementation of any corrective action or response made  
46 in connection with, any complaint. Any retaliation or attempted retaliation against any party

1 making a report in good faith will be punished severely. After a report has been received from a  
2 CA team member, the PEO or other person designated in Section 1 as responsible for the  
3 investigation shall review the work environment, the supervisory structure, performance  
4 evaluation arrangements, and other matters relating to the personnel making the report, and may  
5 consult with Senior Management Members in order to make a determination regarding whether  
6 adjustments in supervision, job location or other job aspects should be made in order to reduce  
7 the risk of retaliation. It is the intention of CA to take whatever action may be deemed  
8 appropriate to prevent and correct activities that violate this Policy. Reports of retaliatory or  
9 discriminatory actions or interference should be reported as any other act reportable under this  
10 Policy.

11  
12 CA encourages CA Personnel to raise concerns in good faith. However, CA Personnel  
13 ~~are prohibited from who-knowingly-file misleading making ,-false,-or misleading or~~ malicious  
14 ~~complaints, will not be protected by this Policy and may be subject to disciplinary action which~~  
15 ~~may include termination of service with CA.~~

16  
17 **5. Interpretation.** The interpretation, application and operation of this Policy are the  
18 responsibility of the PEO and CA's President, subject to the oversight of the Board of Directors  
19 or the Audit Committee as applicable in the case of complaints concerning the President, Chair  
20 of the Board or other member of the Board as addressed in section 1(a)(ii) above.

21  
22 **6. Policy Distribution.** A copy of this Policy will be distributed to all CA Personnel  
23 promptly following the adoption of or amendments to this Policy, and at such time as a person  
24 becomes a member of CA Personnel.

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27 **Approved by the CA Board of Directors on February 26, 2009**  
28 **Revised and approved by the CA Board of Directors on July 7, 2011**  
29 **Revised and approved by the CA Board of Directors on [\_\_\_\_\_,] 2016**  
30