



Policy Name: USA Surfing Whistle Blower Policy

Adopted: April 29, 2021

Applies to: USA Surfing Board of Directors, Staff and Volunteers

POLICY STATEMENT

USA Surfing, Inc. (the "Corporation") requires its directors, officers, employees and volunteers to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. The purpose of this policy is to encourage and enable employees and volunteers of the Corporation to report any action or suspected action taken within the Corporation that is illegal, fraudulent or in violation of any adopted policy of the Corporation, to a source within the Corporation before turning to outside parties for resolution. This policy applies to any matter which is related to the Corporation's business and does not relate to private acts of an individual not connected to the business of the Corporation. This policy is intended to supplement but not replace the Corporation's unlawful harassment and discrimination policy, "open door policy" and/or any other grievance procedure, and any applicable state and federal laws governing whistleblowing applicable to nonprofit and charitable organizations.

A. VIOLATIONS

a. REPORTING IN GOOD FAITH

All employees and volunteers of the Corporation are encouraged to report any action or suspected action taken within the Corporation that is illegal, fraudulent or in violation of any adopted policy of the Corporation (each, a "Violation"). Anyone reporting a Violation must act in good faith, without malice to the Corporation or any individual in the Corporation, and have reasonable grounds for believing that the information shared in the report indicates that a Violation has occurred. [Any report which the complainant has made maliciously or any report which the complainant has good reason to believe is false will be viewed as a serious disciplinary offense.]

"The following are examples of Violations that should be reported:

- (a) Stealing or misappropriation of the Corporation's funds, supplies or other assets;
- (b) Fraud or deliberate error in the preparation, evaluation, review, or audit of any financial statement or accounting records of the Corporation;

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- (c) Deviation from full and fair reporting of the Corporation's financial condition;
- (d) Deficiencies in or non-compliance with the Corporation's internal accounting controls;
- (e) Authorizing or receiving compensation for goods not received or services not performed;
- (f) Authorizing or receiving compensation for hours not worked, or failing to account for un-worked (but paid) hours as vacation, sick leave or other paid time off;
- (g) Pursuit of a benefit or advantage in violation of the Corporation's conflict of interest policy;
- (h) Unauthorized alteration or manipulation of the Corporation's documents or computer files in violation of the Corporation's records management and retention policy.

B. NO RETALIATION

No employee or volunteer who in good faith reports a Violation or cooperates in the investigation of a Violation shall suffer harassment, retaliation or adverse employment or volunteer consequences. Any individual within the Corporation who retaliates against another individual who in good faith has reported a Violation or has cooperated in the investigation of a Violation is subject to discipline, including termination of employment or volunteer status.

If an individual believes that someone who has made a report of a Violation or who has cooperated in the investigation of a Violation is suffering from harassment, retaliation or other adverse employment or volunteer consequences, the individual should contact the Chief Operations Officer.

Any individual who reasonably believes he or she has been retaliated against in violation of this policy shall follow the same procedures as for filing a complaint (outlined in Article 4 below).

C. REPORTING PROCESS

If an individual reasonably believes that a Violation has occurred, the individual is encouraged to share his or her questions, concerns, suggestions or complaints with any person within the Corporation who may be able to address them properly.

In most cases, the direct supervisor of an individual is the person best suited to address a concern. However, if an individual is not comfortable speaking with his or her supervisor or if he or she is not satisfied with the supervisor's response, the individual is encouraged to speak directly to the Chief Operations Officer, or anyone in management he or she feels comfortable approaching.

D. CONFIDENTIALITY

The Corporation encourages anyone reporting a Violation to identify himself or herself when making a report in order to facilitate the investigation of the Violation. However, reports may be submitted on a confidential basis by the complainant or may be submitted anonymously by filling out a reporting form and mailing it to the Chief Operations Officer at Corporation's address, marked as Confidential. Reports of Violations or suspected Violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation, to comply with all applicable laws, and to cooperate with law enforcement authorities. Furthermore, the Corporation will explore anonymous allegations to the extent possible, but will weigh the prudence of continuing such investigations against the likelihood of confirming the alleged facts or circumstances from attributable sources.

E. CHIEF OPERATIONS OFFICER

a. HANDLING REPORTED VIOLATIONS

The supervisor, manager or board member who receives a report of a Violation from the complainant is required to notify the Chief Operations Officer of that report, except as provided below with respect to a report relating to the Chief Operations Officer. The Chief Operations Officer will notify the complainant and acknowledge receipt of a report of Violation within seven (7) business days, but only to the extent that the complainant's identity is disclosed or a return address is provided.

The Chief Operations Officer, or his or her designee, is responsible for promptly investigating all reported Violations and for causing appropriate corrective action to be taken if warranted by the investigation. The complainant will be notified about what actions will be taken, to the extent reasonably possible and consistent with any privacy or confidentiality limitations. If no further action or investigation is to follow, an explanation for the decision will be given to the complainant.

In the event the Chief Operations Officer is suspected of having committed a Violation, then the Violation will be reported to the Chief Executive Officer or the Chair of the Board and the Violation will be investigated by a designated Officer under close supervision of the Board of Directors.

Chief Operations Officer: Andrea Swayne andrea@usasurfing.org

F. ACCOUNTING AND AUDITING MATTERS

a. REPORTS

The Audit/Finance Committee is responsible for addressing all reported concerns or complaints of Violations relating to corporate accounting practices, internal controls or

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auditing. Therefore, the Chief Operating Officer must immediately notify the Audit/Finance Committee of any such concern or complaint.

In addition, the Chief Operating Officer will advise the Chief Executive Officer and Chairman of the Board of any other reported Violations, the current status of the investigation, and the outcome or corrective action taken at the conclusion of the investigation.

Adopted by the Board of Directors at its Meeting on April 29, 2021.

My signature below indicates my receipt and understanding of this policy. I also verify that I have been provided with the opportunity to ask questions about the policy.

_____ Date: _____

Print Name

Signature

APPENDIX A



USA SURFING, INC. WHISTLEBLOWER REPORTING FORM

The purpose of this form is to provide a mechanism to encourage reporting of any action or suspected action taken within USA SURFING, INC. (the "Corporation") that is illegal, fraudulent, unethical or in violation of any adopted policy of the Corporation in a safe environment. Anyone reporting a violation must act in good faith, without malice to the Corporation or any individual, and have reasonable grounds for believing that a violation occurred. [Any report that the complainant has made maliciously or any report that the complainant has good reason to believe is false will be viewed as a serious disciplinary offense.]

NO ONE WHO IN GOOD FAITH MAKES A REPORT OR COOPERATES IN THE INVESTIGATION OF A VIOLATION SHALL SUFFER HARASSMENT, RETALIATION, OR ADVERSE EMPLOYMENT CONSEQUENCES.

➤ Is this the first time you are filing a report for the improper conduct?

Yes

No, please state the date(s) or approximate date(s) of your previous report(s).

Name of Person Filing Report

You are **not required** to provide your name and may retain anonymity. If you choose to provide your name, it will remain confidential whenever possible. Providing your name may facilitate the investigation of the misconduct. Anyone filing an anonymous report will not be updated as to the progress of the investigation, but do understand that investigations are taken seriously and will be addressed. Making a complaint does not automatically shield you from consequences of your own involvement in unlawful or improper conduct. However, full and frank admissions may be considered in deciding disciplinary actions.

Name _____

Name of Person(s) Subject to this Complaint

Name _____ Relation/Position* _____

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**If this person is not an employee of the Corporation, please list his or her position or relationship to the Corporation (e.g., Board Member, Volunteer).

Complaint Report

Please include as much detail as possible to enable a thorough investigation of the matter. Please go beyond the question prompts and the lines provided if necessary to adequately describe the matter.

What act occurred and how do you believe it was fraudulent, illegal, or inappropriate? If applicable - please describe the nature of any injury or damage sustained.

When and where did the misconduct occur? (Please indicate if the actions were committed over a period of time)

What do you believe enabled the act(s) to occur? E.g.: a lack of controls, circumvention of controls, or collusion with other individuals? Are you aware of any motives for the misconduct?

Does the misconduct involve the participation of people external to the Corporation?

Are there any witnesses that can confirm the misconduct?

EVIDENCE

Please attach a copy or original of any supporting documents or other evidence in your possession, if any. DO NOT ATTEMPT TO OBTAIN more evidence. You are a reporting party and not an investigator of the misconduct.



APPENDIX B:

USA SURFING, INC. COMPLAINT REVIEW POLICY

In accordance with Corporation's Whistleblower Policy (the "Policy"), this Complaint Review Policy sets forth procedures to be followed by the Corporation upon receipt of a complaint covered under the Policy.

A. COMPLIANCE OFFICER

Except as provided in Article VI, The Chief Operations Officer will serve as the Compliance Officer and is responsible for promptly investigating all complaints. If warranted by the investigation, the Chief Operations Officer will, in consultation with the Board of Directors and, if necessary, legal counsel, cause appropriate corrective action to be taken. In the event that a complaint concerns the Chief Operations Officer, the complaint shall be investigated by the Chief Executive Officer or the Chair of the Board under close supervision of the Board of Directors.

B. COMPLAINT REVIEW PROCEDURE

The Compliance Officer (Chief Operations Officer) will notify the complainant and acknowledge receipt of a complaint within seven (7) business days, but only to the extent that the complainant's identity is disclosed or a return address is provided.

The Chief Operations Officer will make initial inquiries in consultation with legal counsel, if necessary, to determine whether further investigation is necessary or appropriate. The Chief Operations Officer will manage any subsequent investigation, and may request the assistance of legal counsel or other parties as he or she deems necessary or appropriate.

The Chief Operations Officer, or his or her designee, will fully investigate the complaint, meeting separately with the complainant and with others who either are named in the complaint or who may have knowledge of the facts set forth in the complaint. The Chief Operations Officer will explore anonymous complaints to the extent possible, but will weigh the prudence of continuing such investigations against the likelihood of confirming the alleged facts or circumstances from attributable sources.

Upon completion of the investigation, the complainant will be notified about what actions will be taken, to the extent reasonably possible and consistent with any privacy or confidentiality limitations. If no further action or investigation is to follow, an explanation for the decision will be given to the complainant.

C. CONFIDENTIALITY

Complaints and their investigation will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation, to comply with all applicable laws, and to cooperate with law enforcement authorities.

D. REPORT TO THE CHIEF EXECUTIVE OFFICER and BOARD CHAIR

Within five (5) business days of receiving a complaint, the Chief Operations Officer shall cause a report to be sent to the Executive Director and Board Chair containing the following information:

1. The allegations made by the complainant and how they were reported to the Corporation.
2. All relevant facts related to the allegations.
3. The current status of the investigation and how it was or will be conducted, including witnesses interviewed and documents reviewed.
4. The outcome or corrective action taken or to be taken at the conclusion of the investigation. If no further action or investigation is to follow, an explanation for the decision will be included.

Thereafter, and until the allegations have been resolved, the Chief Operations Officer shall submit updated reports at least every ten (10) business days, or sooner if requested by the Chief Executive Officer or the Board Chair.

E. ACCOUNTING AND AUDITING MATTERS

The Audit & Finance Committee is responsible for addressing all reported concerns or complaints relating to corporate accounting practices, internal controls or auditing. Therefore, the Chief Operations Officer must immediately notify the Audit & Finance Committee of any such concern or complaint and work under the close supervision of the Audit & Finance Committee until the allegations are resolved.

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