

WHISTLEBLOWER POLICY
OF
KINOSAITO, INC.

Introduction

This is the whistleblower policy of Kinosaito, Inc., a New York charitable, not-for-profit corporation (the “Corporation”). This Policy uses certain capitalized words and terms which have specific definitions to be used for purposes of interpreting and applying this Policy. Those definitions can be found in the last Section of this Policy, entitled *Definitions*. This Policy is required by law of every New York not-for-profit corporation that meets certain triggering criteria (having 20 employees or more, and in the prior fiscal year such corporation having had annual revenue in excess of \$1 million). The Corporation has adopted this Policy before having met those triggering criteria both in anticipation of potentially later meeting these criteria, and in order to foster a corporate culture of transparency and fair conduct from the outset. This Policy is intended to supplement and facilitate compliance with—not to replace—any state and federal laws that may apply to the Corporation concerning reports of unlawful or other covered behavior by or within the Corporation. The Corporation expects and is committed to encouraging lawful and ethical conduct by all of its personnel and representatives. The Corporation expects and demands that all of its Responsible Persons comply with all applicable laws and legal regulations, and all internal policies of the Corporation. Responsible Persons shall assist the Corporation with ensuring that it conducts its business and affairs accordingly.

Purpose

The purposes of this Policy are (1) to incentivize Protected Persons to report Alleged Violations, (2) to prohibit any intimidation, harassment, discrimination or other retaliation or, in the case of employees, adverse employment consequences, against any Protected Person who in good faith reports any Alleged Violation; and (3) to establish procedures for reporting and handling Alleged Violations.

Distribution

The Corporation shall distribute a copy of this Policy to all Protected Persons (1) immediately after its adoption, (2) immediately after any amendment to this Policy, (3) contemporaneously with such person’s initial appointment, hiring, or retention, (4) contemporaneously with such person’s re-appointment, re-hiring, or re-retention, and (5) annually, whether in connection with the annual meeting of the Board of Directors or at another time determined by the Board of Directors. In addition, each Protected Person shall execute and deliver to the Policy Administrator or such person’s immediate supervisor at each of the foregoing times a copy of the Whistleblower Policy Statement.

Duty to Report

Each Protected Person shall report, in good faith and otherwise as provided herein, any Alleged Violation of which such Protected Person has or should have knowledge. The term “*should have knowledge*” means that actual knowledge shall be imputed to such person if such person either (1) knowingly or intentionally made herself or himself willfully blind to an Alleged Violation; or (2) had no knowledge because such person failed to have dutifully performed her or his responsibilities to the Corporation.

Good Faith Required

Any Protected Person who reports an Alleged Violation shall do so in good faith and with a reasonable basis to believe that the information reported does, or may reasonably be expected to, implicate any action or inaction included within the definition of *Alleged Violation*. Any person who knowingly or intentionally makes a false report of an Alleged Violation shall be subject to discipline, up to and including removal from any position held by her or him within the Corporation and, for any retaliating employee, termination of employment.

How to Report

A Protected Person making a Report hereunder shall deliver her or his Report to the Policy Administrator. However, if the Policy Administrator is the Subject Person of the Report, then the Protected Person should submit the Report to any Officer or Director or to the Whistleblower's immediate supervisor. If the Corporation then has a human resources administrator (who is separate from the Policy Administrator and also not a Subject Person, then the Report can be submitted to such human resources administrator. Notwithstanding the foregoing, Officers, Directors and Advisors should report Alleged Violations to the Secretary and/or to the chairperson of the Board of Directors. If a Protected Person making a Report hereunder is uncomfortable submitting the Report to any of the foregoing, then she or he is encouraged to submit the Report to any Key Person whom the Protected Person believes will be able and willing to submit the Report as otherwise provided in this paragraph. In lieu of or in addition to any of the foregoing recipients of a Report, a Protected Person making a Report may also deliver the same to the Corporation's legal counsel, if there is any at that time; *however—every Protected Person must know, notwithstanding anything else herein to the contrary, that any lawyer of the Corporation (i) must zealously represent only the interests of the Corporation itself, (ii) cannot represent the Whistleblower, (iii) may not, depending on the circumstances, be able to maintain your confidentiality even if requested, and (iv) depending on the substance of a Report, may (though not necessarily) even have a duty to disclose your identity.*

Confidentiality

Reports of Alleged Violations can best be investigated when all relevant information is provided. Accordingly, any person reporting an Alleged Violation is *encouraged* (but **not** required) to identify herself or himself in order to facilitate any such investigation. However, any Whistleblower reporting an Alleged Violation may do so anonymously, or may do so with the request that her or his identity be kept confidential. Any person responsible for receiving such a Report shall take and cause the Corporation (to the extent possible to such person) to take reasonable steps to ensure that the identity of the Whistleblower remains anonymous). Reports of Alleged Violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation. Persons reporting Alleged Violations should keep in mind that it is, of course, impossible to obtain further details from an anonymous whistleblower, and therefore any anonymous reports made hereunder should set forth all relevant and verifiable facts with specificity, such as dates and times (exact, where possible), names of persons involved, and a specific description of the Alleged Violation being reported. The Corporation assumes no duty not required by law to investigate vague, anonymous complaints that lack information sufficient to justify an investigation. Any person responsible for receiving reports of Alleged Violations in which the whistleblower has identified herself or himself shall keep the identity of the whistleblower confidential using all reasonable means, including (but not necessarily limited to) not disclosing the Reporting Person's identity without her or his express, written consent; maintaining in a secure location all written or recorded information pertaining to the report and any resulting investigations; and limiting the people with access to such confidential information to those having a need to know.

Handling Reports

Any person authorized to receive a Report hereunder (other than an anonymous Report) will notify the Whistleblower in writing within a reasonable time (but in no case later than five business days thereafter) of such receipt of the Report (unless, after a reasonable attempt to determine the same, the Whistleblower's address or email address cannot be learned). All Reports will be promptly investigated by the Investigator. Appropriate remedial action will be taken if the results of the investigation indicate that such action is justified or required. Outside legal counsel may be consulted by the Investigator as desired, and shall be consulted as needed, in each case to consult with the Investigator, but in every case in the capacity as legal counsel to the Corporation. A Subject Person may not be present at or participate in any deliberations or vote on the matter relating to the Report or to any remedial action. However, the Board of Directors may request (and, depending on the circumstances, shall require) that the Subject Person provide information as background or answer questions at a meeting of the Board of Directors prior to the commencement of, or during any break in or adjournment of, deliberations, and prior to any vote that may be taken in respect thereof.

Retaliation Strictly Prohibited

Neither the Corporation nor any Key Person (whether acting on behalf of the Corporation or in her or his own capacity or at the behest of another person) shall intimidate, harass, discriminate against, or otherwise retaliate against, any Protected Person because such Protected Person reported any Alleged Violation, including (in the case of a Protected Person who is an employee) causing, consenting to, or facilitating any adverse employment consequence against such employee. Without limiting the generality of anything else herein, every Protected Person shall have a duty to report any such retaliation. Any Responsible Person who retaliates against a person who has reported an Alleged Violation in good faith shall be subject to discipline up to and including removal from any position held by such Responsible Person within the Corporation and, for retaliating employees, termination of employment.

Records

The Policy Administrator (or, if the Corporation shall then have an audit committee, the audit committee) will retain, on behalf of the Corporation and on a strictly confidential basis, for a period of seven (7) years (or otherwise as required under the Corporation's record retention policies in effect from time to time) all Reports, all reports of Investigators, and all other records relating to any reported Alleged Violation and the investigation and resolution thereof. All such records are and shall be treated as strictly confidential.

Certain Matters Not Covered by this Policy

This policy is *not* intended as a vehicle for reporting violations of the Corporation's applicable human resources policies, problems with co-workers or managers, or for reporting issues related to alleged employment discrimination or sexual or any other form of unlawful harassment, all of which should be dealt with in accordance with the Corporation's personnel policies and procedures, as the same may from time to time be in effect.

For the avoidance of doubt, notwithstanding anything herein to the contrary, this Policy is not an employment contract, nor does this Policy amend or otherwise modify the employment relationship between the Corporation and any of its employees, nor does it change the fact that employees of the Corporation are employees at will. Nothing contained herein is intended to provide any Protected Person with any additional rights or causes of action, other than those provided by law.

Definitions

The following words and terms when capitalized and used in this Policy shall be given the meanings ascribed to them in this *Definitions* section.

“Advisor” means a member of any board of advisors which the Board of Directors may at any time have established.

“Alleged Violation” means any action taken (or any wrongful failure to take an action) by or within the Corporation that is or is suspected to be illegal, fraudulent or in violation of any adopted policy of the Corporation (including, but not limited to, this Policy). *Alleged Violation* also means any action taken by any Key Person which would or could reasonably be expected to cause serious damage to the Corporation’s reputation. By way of example (but not limitation) an Alleged Violation would include usurpation of a corporate opportunities and other self dealing, fraud, theft, embezzlement, accounting or auditing irregularities, bribery, kickbacks, misuse of the Corporation’s assets, violations of ethical standards pertaining to the Corporation.

“Board of Directors” means the managing body of the Corporation as contemplated in Section 701 of the New York Not-For-Profit Corporation Law.

“Director” means a member of the Board of Directors.

“Investigator” means any of the following persons, persons, or corporate bodies, in their capacity as having the authority to investigate an Alleged Violation, as the Board of Directors may determine: (1) the Board of Directors; (2) a committee of the Board of Directors, (3) a committee of the Corporation; and/or (4) any other person or persons as the Board of Directors may determine, *provided, however*, that no Investigator (and no person having influence on the selection of any Investigator) shall have a conflict of interest related to the Report or the Alleged Violation or to any Protected Person or Subject Person related to the Alleged Violation being investigated.

“Key Person” has the meaning given to that term in Section 102 of the New York Not-For-Profit Corporation Law; *viz.*: any person, other than a Director or Officer, whether or not an employee of the corporation, who (i) has responsibilities, or exercises powers or influence over the Corporation as a whole similar to the responsibilities, powers, or influence of Directors and Officers; (ii) manages the Corporation, or a segment of the Corporation that represents a substantial portion of the activities, assets, income or expenses of the Corporation; or (iii) alone or with others controls or determines a substantial portion of the Corporation’s capital expenditures or operating budget. *Key Person* shall also include any other person whom the Board of Directors identifies as included in the definition of Key Person for purposes of this Policy.

“Officer” means the Corporation’s president, vice president, secretary, treasurer, executive director, and other executive officer or individual having the authority to bind the Corporation as designated in the Corporation’s Bylaws or by resolution of the Board of Directors.

“Policy” means this conflict-of-interest policy.

“Policy Administrator” means the Corporation’s corporate secretary or another person designated by the Board of Directors to act as the Policy Administrator.

“Protected Person” means a Director, Officer, Advisor, employee or volunteer of the Corporation.

“Responsible Person” means each of the Directors, Officers, Advisors, and Key Persons.

“Report” means a report by a Protected Person of an Alleged Violation.

“Subject Person” means a person named or identified in a Report or in any investigation of a Report whose action or failure to act is or may be an Alleged Violation.

“Whistleblower” means a Protected Person making a Report under this Policy.

“Whistleblower Policy Statement” means a written statement, in form and substance as the Board may determine to be appropriate in which the Protected Person signing the statement affirms that she or he has received a copy of this Policy as in effect on the date of such statement, has read this Policy and understands it, has had the opportunity to discuss the Policy with her or his legal counsel and with other Directors and Officers, and has agreed to comply with the Policy without condition. A copy of each such statement shall be kept in the books and records of the Corporation and made available to any Director or Officer upon request.

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Adopted by the Corporation’s Board of Directors
by Unanimous Written Consent
on July , 2018.

WHISTLEBLOWER POLICY STATEMENT
KINOSAITO, INC.

The undersigned, _____ [*legibly write your name*], hereby affirms to Kinossaito, Inc. (the “Corporation”) that the following is true, correct and complete, to the best of the knowledge of the undersigned:

I have received, read, understood and am familiar with, the Whistleblower Policy of the Corporation in effect as of the date hereof (the “Policy”); and I have had the opportunity to discuss the Policy with my own independent legal counsel, as well as with my supervisor (or, for members of the Board of Directors, members of any advisory board, and executive offices, with the Board of Directors, and (if applicable) legal counsel to the Corporation).

IN WITNESS WHEREOF, the above name individual has signed **and dated** this WHISTLEBLOWER POLICY STATEMENT, affirming thereby that the above is true and complete and that the Corporation may rely on this affirmation:

Signed: _____

Dated: _____