Policy on Suspected Misconduct, Dishonesty, Fraud, and Whistle-blower Protection

The Center for Wooden Boats is committed to the highest possible standards of ethical, moral, and legal conduct. Consistent with this commitment, this policy aims to provide an avenue for employees to raise concerns about suspected misconduct, dishonesty, and fraud and to provide reassurance that they will be protected from reprisals or victimization for whistle-blowing in good faith.

PROCEDURE

Reporting
It is the responsibility of every employee to report concerns relating to suspected misconduct, dishonesty or fraud. Such concerns shall be set forth in writing and sent in a sealed envelope to the chairman of the Audit Committee. The envelope should be labeled as follows: “To be opened by the Center for Wooden Boats Audit Committee only. Being submitted pursuant to the “Policy on Suspected Misconduct, Dishonesty, Fraud, and Whistle-blower Protection” adopted by the Audit Committee.”

Chairman of the Audit Committee:
Center for Wooden Boats
1010 Valley Street
Seattle, WA 98109

Timing
The earlier a concern is expressed, the easier it is to take action.

Investigating the Concern
Following the receipt of any complaints submitted, the Audit Committee will investigate each matter so reported and take corrective and disciplinary actions where appropriate.

The Audit Committee may enlist committee members, employees of the organization and/or outside legal, accounting or other advisors, as appropriate, to conduct any investigation of complaints regarding financial reporting, accounting, internal accounting controls, auditing matters, or any other form of misconduct, dishonesty, or fraud. In conducting any investigation, the Audit Committee shall use reasonable efforts to protect the confidentiality and anonymity of the complainant.

Further Information
The amount of contact between the complainant and the body investigating the concern will depend on the nature of the issue and the clarity of information provided. Further information may be sought from the complainant.

**Report to Complainant**

The complainant will be given the opportunity to receive follow-up on their concern within two weeks by the Chairman of the Audit Committee:

- Acknowledging that the concern was received;
- Indicating how the matter will be dealt with;
- Giving an estimate of the time that it will take for a final response;
- Telling them whether initial inquiries have been made; and
- Telling them whether further investigations will follow, and if not, why.

**Information**

Subject to legal constraints the complainant will receive information about the outcome of any investigations.

**Document Retention**

The Audit Committee shall retain as a part of the records of the Committee any such complaints or concerns for a period of at least seven years.

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**SAFEGUARDS**

**No Retaliation**

No director, officer, or employee who in good faith reports a violation shall suffer harassment, retaliation or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This policy is intended to encourage and enable employees and others to raise concerns within the organization prior to seeking resolution outside the organization.

Additionally, no employee shall be adversely affected because they refuse to carry out a directive which, in fact, constitutes corporate fraud, or is a violation of state or federal law.

**Confidentiality**

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation. Every effort will be made to protect the complainant’s identity.

**Anonymous Allegations**
Employees are encouraged to put their names to allegations because appropriate follow-up questions and investigation may not be possible unless the source of the information is identified. Concerns expressed anonymously will be investigated, but consideration will be given to:

- The seriousness of the issue raised;
- The credibility of the concern; and
- The likelihood of confirming the allegation from attributable sources.

**Acting in Good Faith**

Anyone filing a complaint must be acting in good faith and have reasonable grounds for believing the information disclosed indicates misconduct, dishonesty, or fraud. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

**DEFINITION OF TERMS**

For purposes of this policy, the definition of misconduct, dishonesty, and fraud includes but is not limited to:

- Acts which are inconsistent with CWB policy
- Theft or other misappropriation of CWB assets
- Misstatements or other irregularities in CWB records
- Incorrect financial reporting
- Misuse of CWB resources
- Illegal activities
- Forgery or alteration of documents
- Any other form of fraud

*The Center for Wooden Boats reserves the right to modify or amend this policy at any time as it may deem necessary.*

Employee: ____________________________  Date: __________________