

NIRSA Whistleblower Policy¹

NIRSA HAS ADOPTED THIS POLICY TO ENCOURAGE EMPLOYEES, members of the board of directors, NIRSA members, and other persons affiliated with NIRSA to report to responsible persons possible (i) violations of law, (ii) accounting irregularities and (iii) other suspected wrongdoing, including their own.

The goal of this policy is to discourage and discover illegal activity and business conduct that damages NIRSA's good name, association interests, and its relationships with members, vendors, sponsors, and the community at large.

While NIRSA does not encourage frivolous complaints, it does want any director, officer, employee, member, or agent of NIRSA (each an "Affected Person") who knows of a Harmful Violation or potentially Harmful Violation (defined below) to contact a representative of NIRSA through one of the methods contained in Section 7. A "Harmful Violation" includes the following:

- (1) violations of federal law and the laws and regulations of any jurisdiction in which NIRSA operates;
- (2) violations of NIRSA policies and statutory or other requirements for good corporate governance;
- (3) improper accounting entries, violations of internal accounting controls or improper auditing matters;
- (4) any other matter, which in the good faith belief of any Affected Person, could cause harm to the business or public position of NIRSA;

¹ Section 1107 (18 USC §1513(e)) of the Sarbanes-Oxley Act of 2002 (the "Act") contains federally imposed broad-based whistleblower protection. Generally speaking, §1107 of the Act provides criminal penalties of up to ten years imprisonment plus a fine for any retaliation resulting from the cooperation with a law enforcement officer for providing truthful information relating to the commission or possible commission of any federal offense.

- (5) any attempt to conceal a potential Harmful Violation or evidence of a potential Harmful Violation; or
- (6) any retaliation (defined below) for any report, complaint, allegation or other disclosure (a “Disclosure”) made pursuant to this policy.

1. General Policy

Any Affected Person who, in Good Faith, makes a Disclosure pursuant to this policy with respect to a Harmful Violation or potential Harmful Violation is referred to as a “Whistleblower” and is protected from any retaliation by NIRSA. “Good Faith” means that the Affected Person has a reasonably held belief that the disclosure made by the Affected Person is true and has not been made out of malice, spite, jealousy, for personal gain or for any ulterior motive.

2. Purpose of the Policy

NIRSA has adopted this policy in order to:

- (a) cause Harmful Violations to be disclosed before they can disrupt the business or operations of NIRSA, or lead to serious loss,
- (b) promote a climate of accountability with respect to NIRSA’s resources, including its employees, and
- (c) ensure that no Affected Person should feel at a disadvantage in raising legitimate concerns.

This policy provides a means whereby Affected Persons can safely raise, internally and at a high level, serious concerns and disclose information that the Affected Person believes in good faith could cause a Harmful Violation.

This policy does not apply to other types of concerns, such as those related to terms of employment or those that are addressed by NIRSA’s policies on anti-discrimination or sexual harassment.

3. Affected Persons Protected

This policy and the related procedures offer protection from retaliation to Affected Persons, who make any Disclosure with respect to matters that are, or could give rise to, Harmful Violations, provided the Disclosure is made:

- In Good Faith;
- In the reasonable belief of the individual making the Disclosure that the conduct or matter covered by the Disclosure could give rise to a Harmful Violation, and
- Pursuant to the procedures contained in Section 7 below.

No complaint that satisfies these conditions shall result in any retaliation or threat of retaliation against the complainant by NIRSA or any director, officer, employee, vendor, sponsor, member, contractor, subcontractor or agent of NIRSA. Any acts of retaliation against a Whistleblower shall be treated by NIRSA as a serious violation of NIRSA's policy and could result in discharge.

4. Confidentiality of Disclosure

NIRSA will treat all Disclosures by Whistleblowers as confidential to the fullest extent permitted by law and within the ability to thoroughly investigate the concerns. NIRSA will exercise particular care to keep confidential the identity of any Affected Person making a Disclosure under this procedure until a formal investigation is launched. Thereafter, the identity of the Affected Person making the Disclosure may be kept confidential, if requested, unless such confidentiality is incompatible with a fair investigation, unless there is an overriding reason for identifying or otherwise disclosing the identity of the Whistleblower or unless such disclosure is required by law. In this instance, the Affected Person making the Disclosure will be so informed in advance of being identified with the Disclosure. Where disciplinary proceedings are invoked against any individual following a Disclosure under this procedure, NIRSA will normally require the name of the person making the Disclosure to be disclosed to the person subject to such proceedings.

NIRSA encourages individuals to put their name to any Disclosure they make, but any Affected Person may also make anonymous Disclosure. In responding to an anonymous Disclosure, NIRSA will pay due regard to fairness to any individual named in the Disclosure, the seriousness of the issue raised, the credibility of the information or allegations in the Disclosure and the prospects

of an effective investigation and discovery of evidence. Investigations will be conducted as quickly as possible, taking into account the nature and complexity of the Disclosure and the issues raised therein.

5. Unsubstantiated Allegations

If an Affected Person makes a Disclosure in Good Faith pursuant to this policy and any facts alleged cannot be confirmed by subsequent investigation, no action will be taken against the Whistleblower. In making a Disclosure, all individuals should exercise due care to ensure the accuracy of the information disclosed.

If after investigation a matter raised under this procedure is found to be without substance and to have been made without Good Faith, the person making the Disclosure could be subject to disciplinary action, up to and including discharge from employment, removal from the board of directors, or other appropriate action.

Where alleged facts disclosed pursuant to this policy are not substantiated (a) the conclusions of the investigation will be made known both to the person who made the Disclosure and to the person(s) against whom any allegation was made in the Disclosure and (b) all papers relating to the allegation and investigation will be removed from the record.

6. Follow-Up

A report of all Disclosures and any subsequent actions taken will be made to the Compliance Committee in detail, where the Disclosure relates to an issue or matter within its purview, and in summary in all other cases. The members of the Compliance Committee shall be appointed by the NIRSA President and shall be comprised of two past NIRSA Presidents, two past NIRSA board members, and one at-large NIRSA member. The members of the Compliance Committee shall serve three-year staggered terms on the committee.

The conclusion of any investigation will be communicated to the person or persons against whom the Disclosure is made and to the person making the Disclosure.

7. Procedures

7.1 Any Disclosure made by an Affected Person under this policy must be submitted to one of the following as appropriate:

- (a) to the Affected Person's immediate supervisor;
- (b) to the Chief Financial Officer;
- (c) to the President;
- (d) to the Executive Director of NIRSA; or
- (e) to the Compliance Committee.

Upon receiving a Disclosure, the person receiving such Disclosure shall immediately deliver a copy of the Disclosure to the Compliance Committee chair, who shall retain a log of Disclosures and a file for each Disclosure, which file shall be maintained in a secure location to protect the confidentiality of the Disclosure.

A sample Confidential Disclosure Report Form is attached hereto, which is recommended for use by persons receiving Disclosures in documenting matters covered by Disclosures. The Compliance Committee shall commence an investigation, engage outside counsel or professionals as necessary for assistance, and communicate with the Whistleblower. The Compliance Committee may utilize the administrative support of the NRISA Executive Director or staff for assistance so long as the confidentiality and investigation are not jeopardized and taking into consideration the person or persons implicated in the Disclosure and investigation.

7.2 An Affected Person should expect some initial response to the Disclosure no later than two weeks after the Disclosure, unless the Affected Person believes in Good Faith that conditions warrant a quicker reply, in which case the Affected Person shall detail those conditions as part of the initial Disclosure and suggest expedited treatment.

7.3 An Affected Person, who is not satisfied with the response after following the procedure set out in Section 7.1 or who has not received a response in the time period contained in Section 7.2, may invoke this Section.

The Affected Person must continue to discuss the Disclosure with the person(s) to whom directed. However, the Disclosure shall thereafter also be directed, in writing, and confidentially, to the Compliance Committee if it has not yet been notified. The Compliance Committee shall then take over the matter and respond.

7.4 If on preliminary examination the concern, issue or facts raised or alleged in any Disclosure are judged to be wholly without substance or merit, the matter shall be dismissed and the Whistleblower informed of the decision and the reasons for such dismissal. If it is judged that the allegation(s) or issue(s) covered in the Disclosure have merit, the matter shall be dealt with in accordance with this policy, NIRSA's normal disciplinary procedures and/or as otherwise may be deemed appropriate according to the nature of the case. The outcome of the investigation will be reported to the Whistleblower.

8. Website Publication

This policy shall be posted on NIRSA's website.

9. Annual Review and Reporting

The Compliance Committee shall make an annual report to the NIRSA Board of (i) the number of Disclosures made, (ii) the number of investigations commenced in response to Disclosures, (iii) the number of wrongdoings discovered, and (iv) all disciplinary actions taken in response to matters discovered through Disclosures. This policy will be reviewed periodically by the Compliance Committee, taking into account the effectiveness and use of the policy in promoting proper disclosure, but with a view to minimizing the opportunities to cause improper investigations.