

WHISTLEBLOWER PROTECTION

Statement of Policy

The Focused Ultrasound Foundation (the “Foundation”) requires all staff, board members, and volunteers to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the Foundation, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations. Set forth below is the Foundation’s policy with respect to reporting good-faith concerns about the legality or propriety of Foundation actions or plans.

Confidentiality

The Foundation will treat all communications under this policy in a confidential manner, except to the extent necessary 1) to conduct a complete and fair investigation, or 2) for review of the Foundation’s operations by the Foundation’s board, independent public accountants, and legal counsel.

Retaliation

The Foundation will not permit any negative or adverse actions to be taken against any employee or individual for making a good-faith report of a possible violation, even if the report is mistaken, or against any employee or individual who assists in the investigation of a reported violation. Retaliation in any form will not be tolerated. Any act of alleged retaliation should be reported immediately and will be promptly investigated. 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 Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within the Foundation prior to seeking resolution outside the organization.

How to Report Concerns or Complaints

A person’s concerns about violations should be reported to his or her supervisor. If, for any reason, a person finds it difficult to report his or her concerns to a supervisor or staff member the person may report the concerns directly to the Chairman. If the concern is regarding the Chairman, the report should be made to both the Chief Financial Officer and Chair of the Audit Committee. Alternatively, to facilitate reporting of suspected violations where the reporter wishes to remain anonymous, a written statement may be submitted to one of the individuals listed above. For a proper investigation to be conducted, enough information should be provided to perform a proper investigation, including where and when the incident occurred, names and titles of the individuals involved, and as much other detail as possible.

Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. 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.

Illustrative Types of Concerns

The following is a non-exhaustive list of the kinds of improprieties that should be reported:

- Supplying false or misleading information on the Foundation's financial or other public documents, including its Form 990.
- Providing false information to or withholding material information from the Foundation's board or auditors.
- Destroying, altering, mutilating, concealing, covering up, falsifying, or making a false entry in any records that may be connected to an official proceeding, in violation of federal or state law or regulations.
- Altering, destroying, or concealing a document, or attempting to do so, with the intent to impair the document's availability for use in an official proceeding or otherwise obstructing, influencing, or impeding any official proceeding, in violation of federal or state law or regulations.
- Embezzling, self-dealing, private inurement (i.e., the Foundation's earnings inuring to the benefit of a director, officer, or senior management) and private benefit (i.e., Foundation's assets being used by anyone in the organization for personal gain or benefit).
- Paying for services or goods that are not rendered or delivered.
- Violating the Foundation's Intellectual Property Policy and all policies contained in the Employee Handbook.
- Facilitating or concealing any of the above or similar actions.