



Name of Policy: Whistleblower Protection

General

The Sarbanes-Oxley Act requires all organizations to establish procedures, in accordance with Section 301 of the Act, for:

- The receipt, retention, and treatment of complaints received by the organization regarding accounting, internal controls, or auditing matters.
- The submission of concerns regarding questionable accounting or audit matters by employees, directors, officers, and other stakeholders of the organization, on a confidential and anonymous basis.

The Lupus Foundation of America, Inc. will use its best efforts to foster an environment of openness and fair dealing in which employees may raise in good faith and without fear of retaliation any concerns or complaints regarding accounting, internal controls, illegal acts, or auditing matters. The Foundation requires directors, volunteers, and employees 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.

Reporting Responsibility

Each director, volunteer, and employee of the Foundation has an obligation to report in accordance with this Whistleblower Policy (a) questionable or improper accounting or auditing matters, and (b) violations and suspected violations of laws, regulations, and LFA policies (hereinafter collectively referred to as Concerns).

Authority of Audit Committee

All reported Concerns will be forwarded to the Audit Committee in accordance with the procedures set forth herein. The Audit Committee shall be responsible for investigating, and making appropriate recommendations to the Board of Directors, with respect to all reported Concerns.

No Retaliation

This Whistleblower Policy is intended to encourage and enable directors, volunteers, and employees to raise Concerns within the Foundation for investigation and appropriate action. With this goal in mind, no director, volunteer, or employee who, in good faith, reports a Concern shall suffer harassment, retaliation or, adverse employment consequences. Moreover, a volunteer or employee who retaliates against someone who has reported a Concern in good faith is subject to discipline up to and including dismissal from the volunteer position or termination of employment.

Reporting Concerns

Employees

Employees should first discuss their Concern with their immediate supervisor. If, after speaking with his or her supervisor, the individual continues to have reasonable grounds to believe the Concern is valid, the individual should report the Concern to the Director of Administrations and Human Resources (HR). In addition, if the individual is uncomfortable speaking with his or her supervisor, or the supervisor is a subject of the Concern, the individual is encouraged to speak directly with the Director of Administrations and HR or anyone in management.

If the Concern was reported verbally to the Director of Administrations and HR, the reporting individual, with assistance from the Director of Administrations and HR, shall reduce the Concern to writing. The Director of Administrations and HR is required to promptly report the Concern to the Chair of Audit Committee, which has specific and exclusive responsibility to investigate all Concerns. If the Director of Administrations and HR, for any reason, does not promptly forward the Concern to the Audit Committee, the reporting individual should directly report the Concern to the Chair of the Audit Committee (contact information for the Chair of the Audit Committee is listed in the LFA shared drive.) Concerns may be also submitted anonymously. Such anonymous Concerns should be in writing and sent directly to the Chair of the Audit Committee.

Directors and Other Volunteers

Directors and other volunteers should submit Concerns in writing directly to the Chair of the Audit Committee. Contact information for the Chair of the Audit Committee is published in various LFA resources and may also be obtained from Vice President for Financial Services.

Handling of Reported Violations

The Audit Committee shall address all reported Concerns. The Chair of the Audit Committee shall immediately notify the Audit Committee, the Chair of the Board, the President and CEO of any such report. The Chair of the Audit Committee will notify the

sender and acknowledge receipt of the Concern within five business days, if possible. It will not be possible to acknowledge receipt of anonymously submitted Concerns.

All reports will be promptly investigated by the Audit Committee, and appropriate corrective action will be recommended to the Board of Directors, if warranted by the investigation. In addition, action taken must include a conclusion and/or follow-up with the complainant for complete closure of the Concern.

The Audit Committee has the authority to retain outside legal counsel, accountants, private investigators, or any other resource deemed necessary to conduct a full and complete investigation of the allegations.

Acting in Good Faith

Anyone reporting a Concern must act in good faith and have reasonable grounds for believing the information disclosed indicates an improper accounting or auditing practice, or illegal acts. The act of making allegations that prove to be unsubstantiated, and that prove to have been made maliciously, recklessly, or with the foreknowledge that the allegations are false, will be viewed as a serious disciplinary offense and may result in discipline, up to and including dismissal from the volunteer position or termination of employment. Such conduct may also give rise to other actions, including civil lawsuits.

Confidentiality

Reports of Concerns, and investigation pertaining thereto, shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Disclosure of reports of Concerns to individuals not involved in the investigation will be viewed as a serious disciplinary offense and may result in discipline, up to and including dismissal from the volunteer position or termination of employment. Such conduct may also give rise to other actions, including civil lawsuits.