

Music for Life

Whistleblower Policy

General

The American Competitiveness and Corporate Accountability Act, popularly known as the Sarbanes-Oxley Act, was passed in 2002 in response to the Enron, WorldCom and other corporate and accounting scandals in the for-profit realm. The Act introduced a variety of measures requiring boards to keep closer tabs on, and take more responsibility for, financial transactions and auditing procedures of their corporations.

Most of the provisions of the Act are expressly limited to publicly-traded corporations. However, whether by design or ambiguous drafting, two provisions dealing with document retention and retaliation against whistle blowers also apply to nonprofit organizations. In addition, the Act and the general sentiment that inspired its passage -- that corporate boards should be both aware of and accountable for the acts of their corporations -- are leading state lawmakers around the country to propose and pass legislation extending similar good governance requirements to charitable and nonprofit corporations.

Music for Life's (MFL's) ("Organization") Code of Ethics and Conduct ("Code") requires directors, officers, employees and volunteers to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As representatives of the Organization, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

Reporting Responsibility

It is the responsibility of all directors, officers, employees and volunteers to comply with the Code and to report violations or suspected violations in accordance with this Whistleblower Policy.

No Retaliation

No director, officer, employee or volunteer who in good faith reports a violation of the Code shall suffer harassment, retaliation or adverse employment consequence. Anyone who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of position with MFL. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within the Organization prior to seeking resolution outside the Organization.

Reporting Violations

The Code addresses the Organization's open door policy and suggests that everyone affiliated with MFL share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, the person's supervisor is in the best position to address an area of concern. However, if you are not comfortable speaking with your supervisor or you are not satisfied with your supervisor's response, you are encouraged to speak with someone higher up in management whom you are comfortable in approaching. Supervisors and managers are required to report suspected violations of the

Code of Conduct to the MFL President, who has specific and exclusive responsibility to investigate all reported violations. For suspected fraud, or when you are not satisfied or uncomfortable with following the Organization's open door policy, individuals should contact the Organization's Board of Directors directly.

Compliance Officer

MFL's President is responsible for investigating and resolving all reported complaints and allegations concerning violations of the Code and, at his/her discretion, shall advise the Board of Directors.

Accounting and Auditing Matters

The Board of Directors shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The MFL President shall immediately notify the Board of Directors of any such complaint and work with them until the matter is resolved.

Acting in Good Faith

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

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.

Handling of Reported Violations

The MFL President will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.