

HERITAGE FARM POLICY AND PROCEDURES

Policy: Compliance Policy: Investigation and Resolution of Compliance Issues

Date: October 8, 2013

Rationale:

Heritage Farm has developed a Compliance Program to ensure that Participants, Delivery of Services, and the transaction of associated business are completed in a sound, best practice manner. It is the intention of Heritage Farm that the Compliance Plan establishes a primary pattern of prevention, and also responsibility of detection, and comprehensive corrective actions.

Heritage Farm believes the first step in achieving this level of service and business transaction is through employee and associated person's education and training. Additionally, definitive communication channels are important to ensure proper and timely reporting of misconduct or suspected misconduct. Included in these channels is the Compliance Officer, Complaint Hotline, Supervisors, or a member of the Executive Team. The chain of command is important, but may be a road block if someone in the chain is the alleged person. Ultimately, the Compliance Officer is responsible reviewing, investigating, and rendering an opinion regarding the alleged issue.

Policy:

- Heritage Farm will direct the Compliance Officer to follow up on allegations of feasible allegations of suspected non-compliance issues by initiating a timely and comprehensive investigation to decide on the validity of such allegations, and take appropriate actions if verified.
- Employees or persons who report suspected acts of misconduct to the Compliance Officer, the Compliance Hotline, or other supervisory employees shall have their confidentiality secured to best possible degree. Reporting an allegation that the reporter was involved in does not support confidentiality or anonymity for that person. Reporting may be taken into consideration in the penalty phase of the investigation.

Procedures:

- The Compliance Officer will have oversight in the execution of all internal investigations. He or she shall have the authority to seek outside counsel as needed.
- The Compliance Officer will commence an investigation only after understanding the full allegation and relevant regulations, laws, and policies and procedures.
- The compliance will initiate the investigation by completing a an initial review to ascertain whether there is sufficient evidence to pursue a full investigation. The Compliance Officer should:
 - conduct an impartial review of relevant facts;
 - restrict the inquiry to those necessary to resolve the issues; and
 - conduct the inquiry with as little visibility as possible while gathering pertinent facts relating to the issue.
- If the Compliance Officer finds that there is enough evidence of any criminal, civil, or administrative law to proceed with a full investigation, the investigation must be turned over to legal counsel.
- For investigations that do not involve legal counsel, the Compliance Officer will determine if Heritage Farm has sufficient resources to conduct the investigation, who or what they are, or whether external resources are required.
- The Compliance Officer will be responsible for making sure all evidence is secured and remains part of the investigation file.
- The Compliance Officer should ensure that the following objectives are accomplished:
 - Fully debrief complainant;
 - Notify appropriate internal parties;
 - Identify cause of problem, desired outcome, affected parties, applicable guidelines, and possible regulatory or financial impact;
 - Provide a complete list of findings and recommendations;
 - Determine the necessary corrective action measures, (e.g., policy changes, operational changes, system changes, personnel changes, training/education); and
 - Document the investigation.

- Upon conclusion of the investigation, the Compliance Officer will organize the information in a manner that enables the Heritage Farm to determine if an infraction did, in fact, occur.
- The Compliance Officer will track the investigation, responsible parties, and due dates in a compliance log. The log will include the resolution of the investigation as closed or fully resolved.
- The Compliance Officer will be responsible for reporting the results of all investigations to the President of the Board of Directors and Compliance Committee.