WHISTLEBLOWER POLICY

**General**

HeartShare Human Services of New York (“HeartShare”) requires its directors, officers, affiliates, subsidiaries and employees to observe high standards of business and personal ethics, as such personal ethics relate to the organization, in the conduct of their duties and responsibilities. As employees and representatives of HeartShare, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

This policy is not a vehicle for reporting violations of HeartShare’s applicable human resources policies, problems with co-workers or managers, or for reporting issues related to alleged employment discrimination or sexual or any other form of unlawful harassment, all of which should be dealt with in accordance with HeartShare’s Employee Handbook, (the “Handbook”), as it is the policies of the Handbook that are applicable to such matters.

The matters which should be reported under this policy include suspected fraud, theft, embezzlement, accounting or auditing irregularities, bribery, kickbacks, misuse of HeartShare assets or suspected regulatory, compliance, or ethics-related issues, concerns or violations.

**Reporting Responsibility**

It is the responsibility of all directors, officers and employees to report in good faith violations or suspected violations of high business and personal ethical standards, as such personal ethics relate to the organization, and/or applicable legal requirements (“Violations”) in accordance with this Whistleblower Policy.

**No Retaliation**

No director, officer or employee who in good faith reports a Violation shall suffer harassment, retaliation or adverse employment consequence because of such report. 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 Organization prior to seeking resolution outside the Organization. Notwithstanding anything contained herein to the contrary, this Whistleblower Policy is not an employment contract and does not modify the employment relationship between HeartShare and its employees, nor does it change the fact that employees of HeartShare are employees at will. Nothing contained herein provides any director, officer, or employee of HeartShare with any additional rights or causes of action, other than those provided by Section 1107 of the Sarbanes-Oxley Act of 2002.

**Reporting Violations**

Questions, concerns, suggestions or complaints regarding the ethical and legal standards noted above should be addressed directly to the Corporate Compliance Officer (the “Compliance Officer”).

**Compliance Officer**

The Compliance Officer is responsible for investigating and resolving all reported Violations and shall advise the Audit Committee of the Board of Directors and, if the Compliance Officer deems it appropriate, the President/CEO, of all reported complaints and allegations of Violations. The Compliance Officer is required to report to the full Board of Directors at each regularly scheduled board meeting on compliance activity.

**Accounting and Auditing Matters**

The Audit Committee of the Board of Directors shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Compliance Officer shall immediately notify the Audit Committee of any such complaint and work with the committee until the matter is resolved. Promptly upon receipt, the Audit Committee shall evaluate whether a complaint constitutes an accounting complaint and if so shall promptly determine what professional assistance, if any, it needs in order to conduct an investigation. The Audit Committee will be free in its sole discretion to engage outside auditors, counsel or other experts to assist in the investigation and in the analysis of results.

**Investigations**

The Compliance Officer may delegate the responsibility to investigate a reported Violation, whether relating to accounting and auditing matters or otherwise, to one or more employees of HeartShare or to any other individual, including persons not employed by HeartShare, selected by the Compliance Officer; provided that the Compliance Officer may not delegate such responsibility to an employee or other individual who is the subject of the reported Violation or in a manner that would compromise either the identity of an employee who reported the Violation anonymously or the confidentiality of the complaint or resulting investigation. Notwithstanding anything herein to the contrary, the scope, manner and parameters of any investigation of a reported Violation shall be determined by the Audit Committee in its sole discretion and HeartShare and its employees will cooperate as necessary in connection with any such investigation.

**Acting in Good Faith**

Anyone filing a complaint concerning a Violation must act in good faith and have reasonable grounds for believing the information disclosed may indicate a violation of such standards. 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**

In making a complaint or submission, an employee of the Organization may request that such complainant be treated in a confidential manner (including that HeartShare take reasonable steps to ensure that the identity of the employee making the complaint remains anonymous). HeartShare takes seriously its responsibility to enforce this Whistleblower Policy and therefore encourages any employee reporting a Violation to identify him or herself so as to facilitate any resulting investigation. Employees may, however, submit complaints on an anonymous basis. Reports of Violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

**Handling of Reported Violations**

The Compliance Officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days, but only to the extent the sender’s identity is disclosed or a return address is provided. All reports will be promptly investigated, the scope of any such investigation being within the sole discretion of the Audit Committee, and appropriate corrective action will be taken if warranted by the investigation.

**Records**

The Audit Committee will retain on a strictly confidential basis for a period of seven years (or otherwise as required under HeartShare’s record retention policies in effect from time to time) all records relating to any complaint and to the investigation and resolution thereof. All such records are confidential to the Organization and such records will be considered privileged and confidential.

Compliance Officer: Stanley Capela

HeartShare Human Services of New York

12 MetroTech Center, 29th Floor

Brooklyn, NY 11201

 718-422-4248 (Direct)

 718-522-4506 (Facsimile)

 718-422-3344 (Corporate Compliance Hotline)