

California Insurance Guarantee Association Compliance and Ethics Policy

The California Insurance Guarantee Association (CIGA) is committed to fostering a workplace conducive to open communication regarding CIGA's business practices and to protecting its employees from unlawful retaliation, harassment or discrimination for properly reporting illegal conduct or violations of CIGA's Conflict of Interest policy.

Summary of Policy

This policy governs both the reporting and investigation of allegations of suspected unlawful activities and the protection of whistleblowers from retaliation, harassment or discrimination (collectively "retaliation"). It describes the procedures for investigating known or suspected Improper Activities, and addressing complaints of retaliation for raising such issues. It does not encompass general workplace issues such as acts prohibited in CIGA's Standards of Conduct which, though prohibited, are neither illegal nor unethical.

Policy

CIGA is strongly committed to the concept of good business citizenship and expects all its employees to obey the law. CIGA's internal controls and operating procedures are intended to detect and to prevent or deter Improper Activities. However, intentional and unintentional violations of laws, regulations, policies and procedures may occur and may constitute unlawful activities. CIGA has a responsibility to investigate and report to appropriate parties allegations of suspected Improper Activities, and to protect those employees who, in good faith, report these activities to the appropriate authority.

CIGA employees may not: (1) retaliate against an employee or applicant for employment who has made a protected disclosure or who has refused to obey an illegal order; nor (2) directly or indirectly use or attempt to use his or her position for the purpose of interfering with the right of an applicant or an employee to make a protected disclosure to CIGA. CIGA intends to take whatever action may be needed to prevent and correct activities that violate this policy.

Definition

"Improper Activities" for the purposes of this policy means unlawful conduct, violation of CIGA's Conflict of Interest Policy and CIGA's Policy on Retaliation, Discrimination and/or Harassment as reflected in CIGA's Employee Handbook.

Procedure

A. Reporting Suspected Improper Activities

1. Any person may report allegations of suspected Improper Activities. Knowledge or suspicion of Improper Activities may originate from employees or temporary employees carrying out their assigned duties, internal or external auditors, law enforcement, regulatory agencies or other third parties. Allegations of suspected Improper Activities may also be reported anonymously.

2. Allegations of suspected Improper Activities should be made in writing so as to provide a clear description of the issues raised, but they also may be made orally. Such reports should be factual and contain as much specific information as possible including the names of individuals involved or with knowledge of the issues, the time, dates and the location(s) of any incidents and any documents or records substantiating the allegations.

3. CIGA employees or others wishing to report allegations of suspected improper activities should preferably contact CIGA's Director of Human Resources, CIGA's Director of Audit or CIGA's Executive Director to report the issues. If the reporter is concerned that the person to whom a report would be directed has been involved in the Improper Activities or if the reporter desires to remain anonymous, he or she should contact EthicsPoint Inc., an outside firm designated by CIGA's Board of Governors, to be the initial recipient of such reports. Contact information for those types of reports is as follows:

Phone contact: 1-877-ETHICSP
Internet contact: www.ethicspoint.com

4. When a person reports suspected Improper Activities, the report is known as a protected disclosure. CIGA employees and applicants for employment who make a protected disclosure are protected from retaliation.

5. All reports will be investigated promptly and with discretion, and all information obtained will be handled on a "need to know" basis. Reports dealing with allegations of Improper Activities shall be provided to the Executive Director of CIGA unless the report alleges Improper Activities by the Executive Director in which case the report shall be forwarded to the Director of Audit who will inform the Audit Committee of CIGA's Board of Governors of the allegations. Any complaints dealing with matters other than Improper Activities will be referred to the appropriate supervisor for action as necessary. At the conclusion of an investigation, as appropriate, remedial and/or disciplinary action as necessary will be taken where the allegations are verified and/or otherwise substantiated.

6. The Audit Committee may enlist additional outside legal, accounting or other advisors, as appropriate, to conduct any investigation of reports regarding financial statement disclosures, disclosure concerns or violations, accounting, internal accounting controls, or auditing matters reported to the Committee.

B. Protection from Retaliation

Any employee who believes he or she has been (1) subjected to or affected by retaliation for reporting suspected Improper Activities, or (2) for refusing to engage in activity that would result in a violation of law, should report such conduct to the appropriate supervisory personnel (if such supervisory personnel is not the alleged source of or otherwise involved in the subject retaliation) and to the Executive Director. Any supervisory employee who receives such a report, or who otherwise is aware of retaliation, is required to advise the Executive Director of any such report or knowledge of retaliation.

If any employee believes that reporting such conduct to the appropriate supervisor or the Executive Director is for any reason inappropriate, unacceptable or will be ineffectual, or if the report to the supervisor or to the Executive Director has been made and the retaliation has not ended, the employee should report the incident directly to the General Counsel, Thomas Jenkins at Locke, Lord, Bissell and Liddell at (312) 443-1777.

C. Other Remedies and Appropriate Agencies

In addition to the internal complaint process set forth above, any employee who has information concerning allegedly unlawful conduct may call the California State Attorney General Hotline (800-952-5225).

Amended May 10, 2017