Appendix B: Compliance & Ethics Issue
Reporting and Response Policy

1. Applicability and Responsibility
   
   a. This Policy applies to all employees of the company and replaces all previous policies concerning this subject.

   b. Each employee and agent is responsible for ensuring that his or her actions comply with this Policy. Each manager is responsible for his or her department’s compliance and for informing his or her employees and agents about this Policy.

2. Basis and Object
   
   a. This Policy specifies the manner in which the company shall report, receive, retain and respond to compliance and ethics issues, including, but not limited to, the company’s accounting, accounting controls and auditing matters, that are reported by colleagues, associates or others. This Policy also strictly prohibits discharging, harassing, discriminating or taking any adverse action against any employee or agent in the terms and conditions of employment because of any lawful act done to provide information to assist in a company or government investigation or proceeding involving an alleged violation of law or company policy.

   b. This Policy is mandatory for all employees.

   c. The purpose of this Policy is to comply with all applicable legal requirements regarding the reporting, receipt, retention, and response to compliance and ethics issues including, without limitation, those matters arising under the “Code of Conduct” in the
The focus shall be on business and professional standards of conduct, compliance with applicable law, good corporate citizenship, prevention and detection of misconduct, and the identification of areas of particular risk to the company.

d. The purpose of this Policy is also to facilitate the measurement and reporting of reported incidents of possible compliance or ethics-related misconduct on a company-wide basis to the Corporate Governance Committee and the Audit Committee of the Board of Directors.

3. Definitions and Explanations

   a. By using the term “Misconduct,” we mean any fraud or violation of law, company policy, procedure or ethical standard of conduct by the company or any of its employees or agents. Misconduct includes each of the categories of personal conduct described in the appendix to this Policy.

   b. By using the term “the company,” we mean all legal entities/business groups that are part of _______ and their respective employees and agents.

   c. By using the term “Ethics Office,” we mean the company’s Corporate compliance department.

   d. By using the term “the company officer,” we mean any CEO, CFO, COO, General Counsel, and other such senior manager officers, senior financial officers or other members of the senior company management.

   e. By using the term ”Guide to Conducting an Investigation,” we mean the guidance document issued by the Ethics Office setting forth the procedures to be followed in investigating allegations of Misconduct.

   f. By using the term “the company agents,” we mean all non-employees of the company who are properly authorized to act on the company’s behalf.

   g. By using the term “the company Compliance & Ethics Line,” we mean the reporting system with which the company has contracted with a
third party to provide a mechanism to confidentially and anonymously report any observed or suspected instances of Misconduct. The company Compliance & Ethics Line is available to call, toll free, 24 hours a day, seven days a week and can take calls in almost any language at the following telephone numbers:

- **United States & Canada:**

- **Outside the United States & Canada:** (Country Access Number)

- The company Compliance & Ethics Line can also be contacted on the Internet at www.______________________.com.

h. By using the term “Report,” we mean an incident of actual or suspected Misconduct that is reported to a manager, an appropriate department head, Internal Audit, the Legal Department, Human Resources Department, the Ethics Office, the Board of Directors or the company Compliance & Ethics Line.

4. Procedures, Rules and Guidelines

a. Responsibility for Reporting Misconduct:

- All the company employees and the company agents are obligated to report any observed instances of Misconduct to either their manager, an appropriate department head, Internal Audit, the Legal Department, Human Resources Department, the Ethics Office, the Board of Directors or the company Compliance & Ethics Line.

- Once reported, the manager, department head, Internal Audit, the Legal Department, and/or Human Resources Department shall take all necessary steps to ensure that the Ethics Office has been informed of the Report, regardless of the manner in which the report shall be investigated. This is to allow the Ethics Office to track these reports centrally for the company. The Ethics Office and other key internal departments shall establish a process by which the Ethics Office shall be effectively and expeditiously informed.

- The Ethics Office shall establish and administer a process by
which other key internal departments shall be notified of the receipt by the Ethics Office of a Report. That department may, at its election, appropriately participate in the investigation.

- The Ethics Office shall ensure that the process by which Reports are taken, processed, investigated and reported complies with local law and regulation in the jurisdiction where a Report is made.

b. Response to Reports of Misconduct

- The Ethics Office has primary responsibility to ensure that a detailed, competent and appropriate investigation of the Report has occurred.

- The Ethics Office shall either perform, or arrange for, a professional, independent and objective investigation. The resources devoted to such investigations should be proportionate to the nature of the Report. The Ethics Office should use the resources available in the Legal Department, Human Resources Department, or Internal Audit as appropriate, to ensure the independence and objectivity of all investigations of Reports.

- The Ethics Office shall ensure that the company employees who investigate Reports are competent and adequately trained for that purpose. The Ethics Office shall provide or arrange for such training when needed. The Ethics Office shall also ensure that the investigation process is consistently applied throughout the company.

- The purposes of an investigation of a Report shall include (i) to determine if the specific allegation(s) of Misconduct are substantiated by the facts elicited, (ii) to determine whether other Misconduct may have occurred, (iii) to identify areas of potential risk (financial or legal) to the company as a result of the Misconduct, and (iv) to identify areas of business operations that may require improvement as a result of the Misconduct. The Ethics Office shall have the discretion to determine the appropriate scope of an investigation.

- Once an investigation is completed and findings are made, the
Ethics Office or investigator shall (i) provide appropriate feedback to the person or persons who made the Report regarding the outcome of the investigation; (ii) advise the responsible management as to the specific facts determined by the investigation to allow management to take actions, as may be appropriate in the circumstances, to discipline any company employees who engaged in Misconduct. The Ethics Office should also recommend any needed improvements in policies and procedures to avoid repetition of the Misconduct.

- The investigation shall be conducted according to the protocols specified in the Guide to Conducting an Investigation.

- All allegations of Misconduct regarding any company officer who is not a member of the Ethics Office shall be immediately forwarded to the Ethics Office for investigation. The Ethics Office shall have responsibility for performing or overseeing any investigation regarding the alleged Misconduct of such the company officers to ensure independence and objectivity.

- All allegations of Misconduct by the members of the Ethics Office shall be immediately forwarded to the Corporate Governance Committee of the Board of Directors who shall have responsibility for overseeing all investigations regarding the alleged Misconduct of the members of the Ethics Office to ensure independence and objectivity.

- All Reports received by the Ethics Office (and associated investigation findings) shall be recorded by the Ethics Office in its Report database. This information, whether on an aggregate or investigation-specific basis, shall be made appropriately available to other departments and the company’s auditors.

- The Ethics Office shall take all necessary steps to protect from unnecessary disclosure the confidentiality, sensitivity and applicable legal protections for this information. The identity of a company employee or a company agent who has made a Report shall be protected to the extent possible, consistent with this Policy and applicable law.
c. Periodic Summary Reports and Evaluation

- The Ethics Office shall summarize and periodically report to the company executive management and the Corporate Governance and Audit Committee of the Board of Directors information regarding Reports and the company’s response thereto with regard to matters that are reported to the Ethics Office.

- The Ethics Office shall work with executive management to evaluate instances of Misconduct and determine whether changes to policies, procedures, training, monitoring, audits, control systems or other steps must be taken to prevent or reduce the possibility of such Misconduct occurring in the future.

d. Contacting the Board of Directors

- Employees, investors or other interested parties may report instances of Misconduct directly to the Board of Directors by either calling one of the telephone numbers or writing to the address provided below:

  - If calling from inside the United States or Canada, dial (800) ____________________.
  - If calling from outside of the United States or Canada, dial the AT&T Country Access Number, then, when prompted, dial (800) ____________________.

  (Note: Those calling from outside the United States or Canada can obtain their country AT&T Access Number by logging on to: www.usa.att.com/traveler/index.jsp.)

Correspondence to the Board of Directors should be mailed to:

- The company Board of Directors Helpline

- ________________________________

- ________________________________

- ________________________________
Calls and written correspondence made to the Board of Directors via the phone numbers or address provided above shall be received 24 hours a day, seven days a week by a third party service provider with whom the company has contracted to receive such messages on the company’s behalf. When the service provider receives either a telephone call or written correspondence directed to one or more of the company’s directors, the service provider shall fax correspondence and email call reports to the company’s Chief Senior Manager Officer, Chief Financial Officer, Group Chief Compliance and Business Ethics Officer and General Counsel. These corporate officers shall then review the written correspondence and call reports to facilitate the delivery of such correspondence to the company’s Directors and to recommend, what if, any action should be taken in response to the correspondence or call reports.

All call reports or correspondence shall be forwarded to the intended board member(s) unless they are of a trivial nature or otherwise not related to accounting, internal controls, auditing matters, corporate governance, safety, health or environmental issues or any other significant legal or ethical issues at the company. However, a report shall be made to the Corporate Governance Committee and Audit Committee of any correspondence not forwarded to the Board of Directors, and all such reports and correspondence shall be preserved and made available to any Directors who wish to review it.

5. Retaliation

The company employees and the company agents are strictly prohibited from discharging, harassing, discriminating or taking any adverse action against any employee in the terms and conditions of employment because of (i) the employee takes any lawful action done to provide information to assist in a company or government investigation or proceeding involving alleged Misconduct; or (ii) the employee made a Report honestly and in good faith. However, this provision should not be interpreted as protecting the company employee from disciplinary action resulting from his or her own Misconduct.

6. Record Keeping
Records of all investigations of Misconduct by the company employees and the company agents are considered confidential and shall be maintained in a secure location for a minimum of ten years from the date of the Report, after which the information may be destroyed unless it is relevant to any pending or potential litigation, inquiry, or investigation, in which case the information may not be destroyed and must be retained for the duration of that litigation inquiry, or investigation and thereafter as necessary.

7. **Controlling / Monitoring**

   a. Unless otherwise specified in this Policy, it is the responsibility of each local manager, department head and the Ethics Office to set up the necessary controls and processes to ensure the accurate respect of this Policy.

   b. The adherence of the procedures established in this Policy shall be supervised and monitored by the Ethics Office on a regular basis.

8. **Violations – Reporting and Sanctioning**

   a. Any violation of this Policy must be reported to the Ethics Office or the company Compliance & Ethics Line.

   b. Violations of this Policy will result in disciplinary action up to and including termination of employment with the company.

9. **Approval / Amendments**

   a. This Policy, as amended, is approved by the Corporate Governance Committee and the Audit Committee of the company at its meeting of ___________. This Policy enters into force on ___________.

   b. Amendments to this Policy are only to be made by the Corporate Governance Committee and the Audit Committee of the company.