

SPEEDWAY CHILDREN'S CHARITIES

Policy for Protection from Retaliation and Guidelines for Reviewing Complaints ("Whistleblower Protection Policy")

Unless otherwise indicated, capitalized words and phrases in this Whistleblower Protection Policy (this "Policy") shall have the meanings set forth under paragraph II (Definitions) below.

I. OVERVIEW

The Code of Conduct (the "Code") of SPEEDWAY CHILDREN'S CHARITIES ("SCC") requires its directors, supervisors, employees, consultants, volunteers and other representatives (collectively, "Representatives") to observe high standards of business and personal ethics. SCC strives to promote a working environment that values respect, fairness and integrity, and in doing so requires its Representatives to practice honesty and integrity in the conduct of their duties and responsibilities under the Code, and to act in compliance with all applicable laws and regulations.

In furtherance of the foregoing, SCC is committed to protecting its Representatives and any applicants for employment ("Applicants") from Interference with making a Protected Disclosure, retaliation for having made a Protected Disclosure, or for having refused an Illegal Order. All SCC Representatives and Applicants are encouraged to report Misconduct or suspected Misconduct (i.e. to act as a Whistleblower) pursuant to the procedures set forth in this Policy.

SCC will investigate allegations of Misconduct or suspected Misconduct. A failure to follow the standards under this Policy will result in disciplinary action including possible termination of employment, dismissal from one's board or volunteer duties, and possible civil or criminal prosecution if warranted.

Whistleblowing complaints will be handled with sensitivity, discretion and confidentiality to the extent allowed under the circumstances and by law. Generally, this means that Whistleblower complaints will only be shared with those who have a need to know so that SCC can conduct an effective investigation, determine what action to take based on the results of any such investigation, and in appropriate cases, confer with law enforcement personnel. (Should disciplinary or legal action be taken against a person or persons as a result of a Whistleblower complaint, such persons may also have the right to know the identity of the Whistleblower.)

The objectives of this Policy are to establish policies and procedures for:

- (1) The submission of concerns regarding questionable accounting or audit matters by Representatives and other stakeholders of SCC on a confidential and anonymous basis;
- (2) The receipt, retention, and treatment of complaints received by SCC regarding accounting, internal controls, or auditing matters; and
- (3) The protection of Representatives or Applicants reporting concerns from retaliatory actions.

Pursuant to this policy, Representatives may not:

- (1) Retaliate against any Representative or Applicant 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 the Official Authority or Influence of their position or office for the purpose of Interfering with the right of any Representative or Applicant to make a Protected

Disclosure about matters within the scope of this Policy with the intent or effect of adversely affecting the terms or conditions of the reporting individual's employment or potential employment, including but not limited to, threats of physical harm, loss of the reporting individual's job, punitive work assignments, or impact on salary or fees.

This protection from retaliation is not intended to prohibit supervisors from taking action, including disciplinary action through termination, in the usual scope of their duties based on valid performance-related factors.

II. DEFINITIONS

A. Misconduct

"Misconduct" includes any activity undertaken by SCC or any Representative that is undertaken in the performance of that person's official duties, whether or not that action is within the scope of their duties, and that (1) is in violation of any state or federal law or regulation, including, but not limited to, corruption, malfeasance, bribery, theft of property, fraudulent claims, fraud, coercion, conversion, malicious prosecution, misuse of property and facilities, or willful omission to perform their duty, (2) is economically wasteful, or involves gross misconduct, gross incompetence, or gross inefficiency, or (3) is otherwise in violation of the Code.

B. Protected Disclosure

"Protected Disclosure" means any good faith communication that discloses or demonstrates an intention to disclose information that may evidence either (1) an improper activity or (2) any condition that may significantly threaten the health or safety of SCC, its Representatives or the public if the disclosure or intention to disclose was made for the purpose of remedying that condition.

C. Illegal Order

"Illegal Order" means any directive to violate or assist in violating an applicable federal, state, or local law, rule, regulation, the Code or any order to work or cause others to work in conditions outside of their line of duty that would reasonably threaten the health or safety of SCC, its Representatives or the public.

D. Interference

"Interference" means the direct or indirect use of authority to obstruct an individual's right to make a Protected Disclosure.

E. Official Authority of Influence

"Official Authority or Influence" means promising to confer, or conferring, any benefit; effecting, or threatening to effect, any reprisal; taking, or directing others to take, or recommending, processing, or approving, any personnel action including, but not limited to, appointment, promotion, transfer, assignment, performance evaluation, suspension, or other disciplinary action.

F. Baseless Allegation

"Baseless Allegation" means any allegation made with a reckless disregard for their truth or falsity or which do not have a good faith basis in fact or law. Any party making such allegations may be subject to disciplinary action by SCC, and/or legal claims by individuals accused of such conduct.

G. Whistleblower

"Whistleblower" means an individual who informs a supervisor, Executive Director, President of the Board of Directors, or the Audit Committee about an activity relating to SCC which that person in good faith believes to be fraudulent or dishonest.

III. RIGHTS AND RESPONSIBILITIES OF SUPERVISORS

Supervisors, directors, consultants, Applicants and volunteers are required to report in writing any Misconduct or suspected Misconduct first to the Audit Committee of SCC's Board of Directors or, if unable to do so due to the involvement of an Audit Committee member, the Chairman (or President) of the Board of Directors.

Reasonable care should be taken in dealing with suspected Misconduct to avoid:

- Baseless Allegations;
- Premature notice to persons suspected of Misconduct and/or disclosure of suspected Misconduct to others not involved with the investigation; and
- Violations of a person's rights under the law.

Due to the important yet sensitive nature of the suspected violations, effective professional follow-up is critical. Supervisors, while appropriately concerned about "getting to the bottom" of such issues, should not in any circumstances perform any investigative or other follow up steps on their own. Accordingly, a supervisor who becomes aware of suspected Misconduct:

- Should not contact the person suspected to further investigate the matter or demand restitution;
- Should not discuss the case with attorneys, the media, or anyone other than the Audit Committee or the Chairman (or President) of the Board of Directors; and
- Should not report the case to an authorized law enforcement officer without first discussing the case with the Audit Committee or the President (or the Chairman) of the Board of Directors unless otherwise required by law.

IV. EMPLOYEE REPORTING

An employee's concerns about any possible Misconduct should first be reported to their immediate supervisor or, if suspected by a volunteer, to the staff member supporting the volunteer's work. If for any reason the employee finds it difficult to report his/her concerns to a supervisor or staff member, the employee may report his/her concerns directly to the Director of Human Resources at (704) 532-3306.

If Misconduct or suspected Misconduct was reported verbally to the Director of Human Resources, the reporting employee (with assistance from the Director of Human Resources), shall reduce the report to writing. The Director of Human Resources is required to promptly report Misconduct or suspected Misconduct to the Chair of the Audit Committee, who has specific and exclusive responsibility to investigate all such reports. If the Director of Human Resources, for any reason, does not promptly forward the report to the Audit Committee, the reporting employee should directly report the Misconduct or suspected Misconduct to the Chair of the Audit Committee. Contact information for the Chair of the Audit Committee may be obtained through the Human Resources Department. Reports of Misconduct or suspected Misconduct may also be submitted anonymously. Such anonymous reports should be submitted in writing and sent directly to the Chair of the Audit Committee.

V. INVESTIGATION

The Audit Committee of the Board of Directors will be responsible for investigating all complaints under this Policy. All relevant matters, including suspected but unproved matters, will be reviewed and analyzed, with documentation of the receipt, retention, investigation and treatment of the complaint. Investigations may warrant

investigation by an independent person such as auditors and/or attorneys. Any and all findings of the investigation will be communicated back to the reporting individual, their supervisor and the Board of Directors to the extent feasible and as allowed by law.

The Chair of the Audit Committee shall immediately notify the Audit Committee, the President, the Executive Director, and the Chief Operating Officer of any report of Misconduct or suspected Misconduct. The Chair of the Audit Committee will notify the sender and acknowledge receipt of the report with seven (7) business days, if possible. It will not be possible to acknowledge the receipt of any anonymously submitted reports.

All reports of Misconduct or suspected Misconduct will be promptly investigated by the Audit Committee, and appropriate corrective action will be recommended to the Board of Directors, if warranted by the investigation. In addition, action taken must include a conclusion and/or follow-up with the complainant for complete closure of the report.

The Audit Committee has the authority to retain outside legal counsel, accountants, private investigators, or any other resource deemed necessary to conduct a full and complete investigation of the allegations.

VI. CORRECTIVE ACTION

The Audit Committee, in cooperation with the President of the Board of Directors, shall determine the appropriate corrective action, if any, which will be initiated against a Representative who is found to have retaliated against or Interfered with any Representative or Applicant's right to make a Protected Disclosure or to refuse an Illegal Order. Any and all corrective actions taken, if necessary, will be communicated back to the reporting person, their supervisor and the Board of Directors to the extent feasible and as allowed by law.

VII. CONFIDENTIALITY

Reports of Misconduct or suspected Misconduct, and investigations pertaining thereto shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Disclosure of any reports to individuals not involved in the investigation will be viewed as a serious disciplinary offense and may result in discipline, up to and including termination of employment. Such conduct may also give rise to other actions, including civil lawsuits.

Date of Adoption by the Board of Directors: 15th day of January, 2015.
Date of Last Amendment: _____

[Acknowledgement on the Following Page]

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POLICY ACKNOWLEDGEMENT

If any Representative or Applicant reasonably believes that some policy, practice, or activity of SCC is in violation of law, a written complaint must be filed by that individual with the Audit Committee or the Chairman (or President) of the Board of Directors.

It is the intent of SCC to adhere to all laws and regulations that apply to SCC. The underlying purpose of this Policy is to support SCC's goal of legal compliance. The support of all parties involved with SCC is necessary to achieve compliance with applicable laws and regulations. A Representative or Applicant is only protected from retaliation if the alleged unlawful activity, policy, or practice is brought to the attention of SCC and SCC is provided with a reasonable opportunity to investigate and correct the alleged unlawful activity.

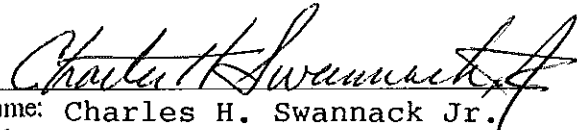
The protections described below are only available to Representatives or Applicants that comply with this Policy.

SCC will not retaliate against any Representative or Applicant who in good faith, has made a protest or raised a complaint against some practice of SCC, or of another individual or entity with whom SCC has a business relationship, on the basis of a reasonable belief that the practice is in violation of law, the Code, or a clear mandate of public policy.

SCC will not retaliate against any Representatives or Applicants who disclose, or threaten to disclose any activity, policy, or practice of SCC that the individual reasonably believes is in violation of the Code, any law, rule, or regulation mandated pursuant to law or is in violation of a clear mandate or public policy concerning the health, safety, welfare, or protection of the environment.

My signature below indicates that I have received and read a copy of this Policy. I verify that I have been provided with an opportunity to ask questions about this Policy.

This the 15th day of January, 2015.



Name: Charles H. Swannack Jr.
Title: Executive Director



Witness