Whistleblower Policy

AMERICAN INSTITUTE OF PHYSICS INCORPORATED
POLICY ON PROTECTION OF INDIVIDUALS WHO REPORT FINANCIAL IMPROPRIETIES OR
OTHER MISCONDUCT
Adopted by the AIP Board of Directors on January 27, 2015

Purpose. American Institute of Physics Incorporated (“AIP”) requires members of the AIP Board of Directors, officers, employees and volunteers to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. The Corporation expects all directors, officers, employees and volunteers to comply with all applicable laws and regulatory requirements, accounting standards, accounting controls, audit practices and AIP policies. This policy establishes a framework for managing and responding to compliance issues.

Questionable Conduct to be Reported. If a director, officer, employee or volunteer of AIP (a “Covered Person”), in good faith, suspects an employee or any other person affiliated with AIP has engaged in questionable conduct involving financial improprieties, misuse of AIP’s assets, conflicts of interest, or any other action that is illegal, fraudulent or in violation of AIP policies or detrimental to the interests of AIP, he or she should report it. This misconduct may, for example, include outright theft (of equipment or cash), fraudulent expense reports, misstatements of any accounts to a manager or to AIP’s auditors, or a conflict of interest that could result in financial harm or public discredit to AIP.

Reporting Procedure. If a Covered Person suspects that a director, officer, employee, volunteer or other person affiliated with AIP has engaged in conduct described above, the Covered Person may report it either confidentially or anonymously.

A Covered Person may make a confidential report to the Chair of the Board, the Corporate Secretary, the Chair of the Audit Committee, the CEO, or any other officer or director of AIP. When a complaint is submitted in writing, the Covered Person should include whatever documentation is available to support the complaint.

If a Covered Person prefers to make a report anonymously, the Covered Person may do so by U.S. Mail addressed to any of the individuals designated above. Use two envelopes. The outer one should be addressed to the individual; the inner envelope should be sealed and carry the addressee’s name and the statement “To be opened only by the addressee.” The individual recipient will dispose of the outer envelope. If a Covered Person chooses to make a report anonymously, that decision may hinder AIP’s ability to fully investigate the matter, and it will not be possible to provide the reporting Covered Person with the results of any investigation, but the report will be carefully investigated nonetheless. Anonymous complaints should include as detailed information as possible.
The recipient of the report will promptly notify the Chair of the Audit Committee or, if the report involves the Chair of the Audit Committee, will notify the Corporate Secretary. The Chair of the Audit Committee is responsible for insuring that every credible complaint receives appropriate consideration and, where warranted, is investigated. Subject to the confidentiality qualifications noted above, credible reports of improprieties in accounting, auditing, or other internal control systems and credit reports involving a material financial liability for the organization will be reported to the Audit Committee, together with the results of any investigation and corrective actions taken by management.

**Protection from Retaliation.** AIP does not tolerate any form of retaliation against Covered Persons who take action in conformance with this policy. No Covered Person who in good faith reports any action or suspected action taken by or within AIP that is illegal, fraudulent or in violation of any adopted policy of AIP shall suffer intimidation, harassment, discrimination or other retaliation or, in the case of employees, adverse employment consequence. Those who provide truthful information or otherwise assist in an investigation regarding such matters are also so protected.

If the Audit Committee concludes that a complainant has made false allegations that are made in bad faith or with a view to personal gain, the complainant may be subject to disciplinary action. If a Covered Person is uncertain as to whether a complaint is within the scope of this policy, he or she should seek advice from the Chair of the Audit Committee, or from the Corporate Secretary if the Chair of the Audit Committee is the subject of the complaint. Complaints filed under specific laws that provide protections against retaliation must follow the procedures, if any, required by these laws in addition to the procedures set forth in this policy.

If a Covered Person believes that he or she has been subjected to retaliation for taking action under this policy, the Covered Person should immediately report it to the Chair of the Audit Committee. If the Covered Person believes that the subject of the report involves the Chair of the Audit Committee, the Covered Person should report the alleged retaliation to the Corporate Secretary. Reports of retaliation will be investigated promptly in a manner intended to protect confidentiality, consistent with a full and fair investigation. The Covered Person will be notified of the results of the investigation.

Any director, officer or employee who engages in such retaliation is subject to discipline, up to and including termination.

**Reporting and Retention of Records of Complaints and Investigations.** The Audit Committee will maintain a log of all complaints, tracking their receipt, investigation, and resolution, and the Chair of the Audit Committee will prepare a periodic summary report thereof for the Board of Directors.
Distribution of this Policy. This policy shall be distributed to all directors, officers, employees and volunteers who provide substantial services to AIP.