

Business Ethics & Compliance Committee

Purpose:

To provide a functional group of individuals within Shepherd Center, Inc. (the "Organization") who most appropriately represent all divisions, programs and departments throughout the Organization and its applicable affiliates (e.g., Shepherd Center Foundation, Inc. and SSC Affiliates, Inc.). These individuals will serve as a forum for the operation of the Business Ethics & Compliance Program and provide guidance to the Chief Compliance Officer.

Policy:

The Business Ethics & Compliance Committee (the "Compliance Committee") shall be nominated by the Chief Compliance Officer and be appointed by the CEO of the Organization. The Organization's Compliance Committee addressed within this policy is separate and distinct from the Organization's Board of Director's Compliance Committee, with the understanding that the latter committee, on behalf of the Organization's Board of Directors, shall ultimately provide overall compliance and ethics oversight, guidance and direction to the Organization.

The Compliance Committee shall advise the Chief Compliance Officer regarding all aspects of the Organization's Business Ethics & Compliance Program.

Committee Functions:

1. Advice to the Chief Compliance Officer regarding any potential risk areas to the Organization as otherwise identified by the Compliance Committee and/or the Chief Compliance Officer.
2. Review of any audits and/or monitoring activities as presented by the Chief Compliance Officer.
3. Work with the Chief Compliance Officer to assist divisions, programs, or departments in addressing issues that arise in any manner by and through the Organization's compliance program.
4. Forward appropriate compliance/ethics issues that arise to the Chief Compliance Officer or, as necessary, to the President/CEO of the Organization.
5. Make recommendations regarding the development of internal systems and controls to carry out the Business Ethics & Compliance Program.
6. Provide review and direction, as necessary, for compliance issues and/or concerns identified and provided to the Compliance Department (whether via the telephonic Hotline, via the Hotline "website," in-person or otherwise).
7. Review results and provide assistance, as needed, regarding ongoing or completed investigations.
8. Provide any other necessary guidance and assistance that enables the Organization to develop and/or maintain an effective Business Ethics and Compliance Program.

Membership:

- Chief Compliance Officer (Chairperson)
- Chief Executive Officer
- Chief Operating Officer
- Chief Information Officer
- Chief Financial Officer
- Chief Medical Officer
- Senior Vice President, Office of Advancement
- Vice President of Human Resources
- Vice President of Research & Innovation
- Vice President of Facility Services

- Vice President of Patient Experience
- Other ad hoc members as needed

Meeting Schedule:

The Compliance Committee will meet at least quarterly. Minutes will be taken and used as documentation to evidence the Annual Compliance Work Plan. Meetings may be held more frequently as necessary. On behalf of the Compliance Committee, the Chief Compliance Officer should endeavor to share relevant and timely information regarding the Organization's Business Ethics and Compliance Program with members of the Organization's Senior Management Team.

Agenda:

1. Hotline reports (whether telephonic, via website, in-person or otherwise, with appropriate redaction as necessary).
2. Audit/monitoring results, as available.
3. Investigation reports.
4. Policy discussion/approval.
5. Industry-wide compliance updates.
6. Other Business.