

YADKIN VALLEY ECONOMIC DEVELOPMENT
DISTRICT, INC.
POST OFFICE BOX 309
BOONVILLE, NC 27011

DATE: MARCH 2011

YVEDDI WHISTLEBLOWER POLICY

General:

The Yadkin Valley Economic Development District, Inc. hereafter referred to as YVEDDI, Code of Ethics and Conduct ("Code") requires directors, officers, and employees to observe high standards of business and ethics in the conduct of their duties and responsibilities. As employees and representatives of YVEDDI, we must practice honesty and integrity in fulfilling our responsibilities and complying with all applicable laws and regulations.

Reporting Responsibility:

It is the responsibility of all directors, officers, and employees to comply with the Code and to report violations or suspected violations in accordance with this Whistleblower Policy.

No Retaliation:

No director, officer, or employee who in good faith reports a violation of the Code shall suffer harassment, retaliation, or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable employees to raise serious concerns within YVEDDI prior to seeking resolution outside YVEDDI.

Reporting Violations:

The Code addresses the YVEDDI open door policy and suggests that employees share their questions, concerns, suggestions, or complaints with someone who can address them properly. In most cases, an employee's immediate supervisor is in the best position to address an area of concern. However, if you are not comfortable speaking with your supervisor or you are not satisfied with your supervisor's response, you are encouraged to speak with anyone in management whom you are comfortable in approaching. Supervisors and managers are required to report suspected violations of the Code of Conduct to the YVEDDI Executive Director, who has specific and exclusive responsibility to investigate all reported violations. For suspected fraud, or when you are not satisfied or uncomfortable with following the YVEDDI open door policy, individuals should contact the YVEDDI's Executive Director directly.

Compliance Officer:

The YVEDDI Executive Director is responsible for investigating and resolving all reported complaints and allegations concerning violations of the Code and, at his/her discretion, shall advise senior management and/or the Personnel Committee. The Executive Director has direct access to the Personnel Committee of the Board of Directors and is required to report to the Personnel Committee at least semi-annually on compliance activity.

Accounting and Auditing Matters:

The Personnel Committee of the Board of Directors shall address all reported concerns or complaints regarding corporate accounting practices, internal controls, or auditing. The Executive Director shall immediately notify the Personnel Committee of any such complaint and work with the committee until the matter is resolved.

Acting in Good Faith:

Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

CONFIDENTIALITY:

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Handling of Reported Violations:

The Compliance Officer will notify the sender and acknowledge receipt of the reported violations or suspected violations within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted to the investigation.

Whistleblower Policy approved by the YVEDDI Board of Directors on 3/24/2011

Signature of the Chairman of the Board

See minutes from above dated meeting for full discussion/approval.