**INTERNAL INVESTIGATIONS POLICY**

**PURPOSE**

[EMPLOYER'S NAME] is committed to upholding the highest standards of legal and ethical conduct while ensuring compliance with all applicable New York state laws and regulations. [As part of its operations in the [SPECIFIC INDUSTRY] sector, [EMPLOYER'S NAME] places special emphasis on adhering to [SPECIFIC STATUTES OR REGULATIONS], alongside broader legal requirements.]

[EMPLOYER'S NAME] strictly prohibits any unlawful behavior, including but not limited to fraud, corruption, bribery, and regulatory noncompliance. Allegations of misconduct are treated with the utmost seriousness, and [EMPLOYER'S NAME] will take all necessary actions to thoroughly investigate and address such claims.

In certain situations, [EMPLOYER'S NAME] may encounter regulatory inquiries, legal proceedings, or government investigations, necessitating internal reviews to:

* Establish facts and circumstances.
* Respond accurately to requests for information.
* Defend against allegations of misconduct.
* Identify and implement operational improvements to ensure compliance.

To promote transparency and consistency, this policy sets forth the expectations, processes, and restrictions applicable during internal investigations. This policy applies to all employees, directors, officers, and agents of [EMPLOYER'S NAME], defining their roles and responsibilities throughout the investigation process.

**GROUNDS FOR INTERNAL INVESTIGATIONS**

Internal investigations may be initiated for various reasons. In some instances, investigations may be required by law or policy, while in others, they may arise from discretionary decisions based on allegations of misconduct. Whether to commence an internal investigation can depend on policy requirements, regulatory obligations, or the judgment of [EMPLOYER'S NAME]’s board of directors or its delegated decision-makers.

Prohibition against retaliation

Retaliation against any employee who reports suspected compliance violations or misconduct is strictly prohibited. [EMPLOYER'S NAME] is committed to fostering an environment where employees feel safe reporting concerns without fear of reprisal.

**OVERSIGHT OF INTERNAL REVIEWS**

Internal investigations will primarily be managed by an investigation Supervisor ("**Supervisor**"), appointed by [the General Counsel, Board of Directors, or a special committee formed by the Board of Directors] in response to the circumstances requiring the investigation. Depending on the situation, [EMPLOYER'S NAME] may retain external legal counsel to act as the Supervisor to ensure an impartial and comprehensive process.

Responsibilities of the supervisor

The Supervisor’s role includes, but is not limited to, the following tasks:

* Defining the investigation scope: Establish the initial scope and focus of the investigation.
* Fact-finding: Ascertain the facts underlying the allegations or incidents prompting the investigation.
* Investigation cooperation: Oversee the investigation’s progression, including any adjustments to its scope, focus or timeline.
* Stakeholder communication: Maintain communication with the appropriate corporate representatives during the investigation.
* Conflict management: Identify and seek guidance on potential conflicts of interest that could arise.
* Reporting obligations: Evaluate the company’s legal or regulatory reporting obligations and determine whether a report is necessary.
* Dissemination of results: Decide whether the investigation findings will be disclosed and, if so, determine the appropriate recipients and format.
* Corrective actions: Design a corrective action plan to address the findings of the investigation, if necessary.
* Improving controls and compliance: Assist in developing stronger controls, policies, or compliance measures to remedy deficiencies identified during the investigation.

This structured approach ensures that all internal investigations conducted by [EMPLOYER'S NAME] are thorough, fair, and effective in addressing identified issues.

**COOPERATION IN INTERNAL INVESTIGATIONS**

[EMPLOYER'S NAME] values and relies on the active cooperation of its employees and agents when conducting internal investigations.

Employee responsibilities

Employees are required to fully cooperate with internal investigations conducted by [EMPLOYER'S NAME] [in accordance with [EMPLOYER'S NAME]’s [OTHER COMPANY POLICY]]. Failure to cooperate may lead to disciplinary action, which may include:

* Corrective measures deemed appropriate by [EMPLOYER'S NAME].
* Actions outlined in [EMPLOYER'S NAME]’s [Discipline Policy].
* Termination of employment.

Interaction with legal counsel

Internal investigations may be led by legal counsel representing [EMPLOYER'S NAME]. Employees may be asked to provide information relevant to the investigation. It is important to note that legal counsel represents [EMPLOYER'S NAME] as an entity, not any individual employee.

This expectation ensures that investigations proceed effectively, with the necessary information to address allegations and uphold [EMPLOYER'S NAME]’s commitment to compliance and ethical conduct.

Confidentiality and privileged communications

[EMPLOYER'S NAME] places significant importance on protecting the confidentiality of internal communications, particularly those shielded by the attorney-client privilege or the attorney work product doctrine.

Attorney-client privilege

Communications with [EMPLOYER'S NAME]’s legal counsel may be covered under the attorney-client privilege. However, this privilege is held by [EMPLOYER'S NAME] as an entity and not by individual employees. Only [EMPLOYER'S NAME] has the authority to waive this privilege. Employees should not disclose privileged information unless explicitly authorized by [EMPLOYER'S NAME].

Employee responsibility

Employees and agents are expected to exercise discretion and maintain confidentiality when handling documentation and communications associated with [EMPLOYER'S NAME]’s business activities. This includes:

* Avoiding disclosure of privileged or sensitive information to unauthorized individuals.
* Ensuring that communications related to internal investigations or business matters remain secure.

By adhering to these guidelines, employees help safeguard [EMPLOYER'S NAME]’s legal protections and maintain the integrity of internal processes.

Documentation and written communications

[EMPLOYER'S NAME] employees and agents must follow guidance provided by legal counsel regarding the creation of written documentation and communications, including emails and text messages, to ensure proper handling of attorney-client and work product protections.

* Privileged materials: Any documents or communications that are potentially privileged should be clearly labeled as such (e.g., “Attorney-client privileged” or “Attorney work product”).
* Limitations of labels: While labels are helpful, simply marking a document as privileged does not guarantee protection. Content must meet the legal criteria for privilege.
* Counsel guidance: Employees should rely on legal counsel for specific instructions about when and how privilege applies to written communications.

By adhering to these standards, employees help preserve the confidentiality and legal protections of sensitive business information.

**EXTERNAL COMMUNICATIONS GUIDELINES**

All employees of [EMPLOYER'S NAME] must comply with the provisions outlined in the company’s [COMMUNICATIONS POLICY] when engaging in external communications, especially regarding internal investigations.

Restrictions on public disclosure

* Authorization required: Employees are prohibited from publicly sharing information about an internal investigation unless explicitly authorized by [TITLE].
* Authorized representatives: Only designated employees or agents authorized by [EMPLOYER'S NAME] may communicate with government agencies on behalf of the organization.

Individual rights

* This policy does not restrict employees from communicating with government agencies in their personal capacities. Employees are encouraged to ensure their individual communications do not create the appearance of representing [EMPLOYER'S NAME] without proper authorization.

By adhering to these guidelines, employees maintain the confidentiality of sensitive information and uphold [EMPLOYER'S NAME]’s professional and legal standards.

**ROLE OF OUTSIDE COUNSEL**

In matters related to internal investigations, [EMPLOYER'S NAME] may retain the services of outside legal counsel to provide specialized advice or oversee the investigation process.

Engagement of outside counsel

* Executive-level investigations: Independent outside counsel must be retained to handle all investigations involving [executives], including:
	+ [LEVEL OF EXECUTIVE MANAGEMENT] and above, including members of the Board of Directors.
	+ [Specific executive titles, such as CEO, CFO, etc., and any member of the Board of Directors.]

Criteria for selection

* Expertise: Outside counsel must be highly qualified and experienced in internal investigations, including familiarity with relevant government agencies.
* Conflict of interest: Counsel must have no relationships or affiliations that could compromise their ability to represent [EMPLOYER'S NAME] impartially and effectively.

Compliance with policies

* Engagement requirements: The selection and use of outside counsel must adhere to [EMPLOYER'S NAME]’s [OUTSIDE COUNSEL POLICY].

Employee rights to legal representation

Employees involved in an internal investigation have the right to retain their own individual legal counsel, independent of the representation provided to [EMPLOYER'S NAME]. This ensures employees’ rights and interests are adequately protected during the investigative process.

By engaging outside counsel when necessary, [EMPLOYER'S NAME] ensures unbiased, professional handling of sensitive investigations while maintaining the highest standards of compliance and integrity.

**USE OF OUTSIDE CONSULTANTS**

To ensure the integrity and comprehensiveness of internal investigations, the investigation Supervisor may engage outside consultants to assist with specific tasks critical to the investigation process.

Roles and responsibilities

Outside consultants may be retained to provide expertise or services necessary to facilitate a thorough investigation. These consultants may include:

1. Forensic accountants: To analyze and interpret complex financial data.
2. Forensic document collection vendors and examiners: To manage and review document retrieval and analysis.
3. Outside auditors: To conduct independent audits as required.
4. Subject matter experts: To offer insights or evaluations specific to the area under investigation.

Reporting and documentation

Consultants must report directly to [the Supervisor/special committee overseeing the investigation].

All investigation-related materials handled by consultants must be maintained to preserve privilege under the attorney work product doctrine, ensuring confidentiality and legal protection of sensitive information.

By leveraging the expertise of external consultants, [EMPLOYER'S NAME] reinforces its commitment to conducting rigorous and impartial investigations while adhering to legal and ethical standards.

**DATA MANAGEMENT FOR INTERNAL INVESTIGATIONS**

Preservation of data

Preserving relevant information is critical as soon as there are indications of a potential issue requiring an investigation, regulatory inquiry, or litigation. [EMPLOYER'S NAME] takes the following steps to ensure proper data preservation:

* Immediate action: Upon identifying a potential issue, a tailored preservation notice will be issued to individuals who may possess relevant materials.
* Steps to secure data: Measures include preserving hardcopy documents, electronic data, and physical materials. Preservation may involve imaging employee hard drives and securing data from:
	+ Back-up tapes.
	+ Archival media.
	+ Cloud-based storage platforms.
	+ Other data repositories.
* Prohibition against destruction: Employees are strictly prohibited from deleting or destroying any data relevant to the investigation.
* Collaboration with IT: The investigation Supervisor will coordinate with [EMPLOYER'S NAME]’s [IT Department/[DEPARTMENT(S)]] to create a data preservation plan that ensures the forensic integrity of electronic data, including metadata.
* Employee interviews: Employees may be interviewed to identify relevant data, its storage locations, and methods for secure collection.

Documentation of efforts

[EMPLOYER'S NAME] will maintain detailed records of all data preservation efforts. This documentation will include:

* Copies of preservation notices and memos.
* Communications related to data collection and preservation.
* A timeline of preservation activities.

Data collection

Data collection will begin promptly after determining the scope of the investigation. If relevant data is at risk of being lost through routine business practices, collection efforts will commence immediately, even if the investigation's scope remains undefined. When in doubt, preserve.

* Scope of collection: The company may collect evidence from any source it owns, possesses, or controls. This includes:
	+ Hardcopy documents.
	+ Digital data from company systems.
	+ Tangible materials relevant to the investigation.
	+ Employee personal devices used for company business, as permitted by the [EMPLOYER'S NAME BRING YOUR OWN DEVICE POLICY].
* Ownership of data: All data stored on company-owned devices or systems belongs to [EMPLOYER'S NAME] and may be reviewed, preserved, or disclosed as necessary.
* Personal data: Employee personal emails, text messages, and documents stored on personal devices may also be subject to collection if used in the course of company business. [EMPLOYER'S NAME] cannot guarantee that such data will not be reviewed or disclosed to third parties, including government agencies.
* Confidential collection: In certain circumstances, as deemed appropriate by the investigation Supervisor, data collection may occur without notifying the employee.

By maintaining robust data preservation and collection practices, [EMPLOYER'S NAME] ensures compliance with legal and regulatory standards while safeguarding the integrity of the investigation process.

**INTERVIEWING WITNESSES**

Interviewing witnesses as part of internal investigations

[EMPLOYER'S NAME] may conduct interviews with current or former employees as a component of internal investigations.

*Conduct of interviews*

* Interviews will be led by [EMPLOYER'S NAME]’s legal counsel or another designated investigator.
* Interviews may take place in person, via video conference, or over the phone, depending on the circumstances.
* Participants are expected to answer questions truthfully and completely.

*Prohibition on retaliation*

* Retaliation against employees or former employees for participating in an interview is strictly prohibited.

*Respect and transparency*

During interviews, witnesses will be treated respectfully and informed of the following:

* Role of the interviewer: An explanation of the interviewing counsel’s role in the investigation.
* Purpose of the interview: The reason for their involvement and the relevance of their testimony.
* Attorney-client privilege: An outline of the attorney-client privilege and its applicability to the interview process.
* Potential disclosure: Notification that information gathered during the investigation may be disclosed to third parties, including government agencies, where appropriate or legally required.

[EMPLOYER'S NAME] is committed to conducting interviews in a professional, respectful, and legally compliant manner to ensure the integrity and fairness of its investigations.

**FINALIZING AND PRESENTING INVESTIGATION REPORTS**

Preparation of the investigation report

[EMPLOYER'S NAME]’s legal counsel will prepare an investigation report summarizing the investigation process, findings, and recommendations. This report may be presented either in written form or as an oral briefing.

The Supervisor retains full authority to review, modify, or approve the final content of the investigation report.

Presentation of the final investigation report

The Supervisor will decide the appropriate format, scope, and level of detail for presenting the findings of the investigation report.

This decision includes identifying the audience, determining whether a written or verbal summary is appropriate, and outlining any recommendations or corrective actions.

[EMPLOYER'S NAME] ensures that the preparation and presentation of the investigation report follow a structured and thorough process to maintain transparency, confidentiality, and compliance with applicable laws.

**REPORTING TO GOVERNMENT AGENCIES**

Required disclosure

Information uncovered during an internal investigation, including misconduct, culpable individuals, or regulatory violations, that is legally or contractually mandated for disclosure to government agencies, the public, or other entities must be reported within the required timeframe.

Voluntary disclosure

Details of misconduct, violations, or other findings from an internal investigation not legally required for disclosure may still be shared at the discretion of the Board of Directors.

[EMPLOYER'S NAME] ensures all disclosures are conducted responsibly and in compliance with applicable legal or contractual obligations.

**CORRECTIVE MEASURES**

Addressing findings

Misconduct by employees and deficiencies in controls, policies, or standards identified during an internal investigation must be thoroughly evaluated and rectified. Any disciplinary action required will align with [EMPLOYER'S NAME] policies, including [SPECIFIC COMPANY POLICY, if applicable].

Immediate action on misconduct

Illegal acts, criminal behavior, or other misconduct identified through the investigation will be halted immediately.

Corrective action plan

The Supervisor will design a Corrective Action Plan (CAP) to address specific violations, deficiencies, or misconduct uncovered. The CAP will include:

* Collaboration with [the relevant compliance executive/Chief Compliance Officer/[TITLE]] to implement the plan.
* Potential disciplinary action, following [EMPLOYER'S NAME] policies, including [SPECIFIC EMPLOYEE DISCIPLINE POLICY].
* A clear schedule for implementation and methods to verify the CAP’s effectiveness in resolving identified issues.

Strengthen compliance controls

To address compliance concerns revealed by the investigation, the Supervisor will work with [the compliance executive/Chief Compliance Officer/[TITLE]] to develop and implement updated or new policies and controls. These measures aim to prevent recurrence of the identified deficiencies or misconduct.

**POLICY ADHERENCE**

Understanding and Compliance

All employees, agents, and counsel of [EMPLOYER'S NAME] must fully understand and adhere to the requirements of this policy. Noncompliance will result in disciplinary measures as follows:

* Employees: Employees found in violation of this policy may face disciplinary actions, up to and including termination.
* Third-party representatives: Outside counsel and other third-party representatives who violate this policy risk termination of their commercial relationships with [EMPLOYER'S NAME].

Reporting suspected violations

Anyone who suspects a breach of this policy must notify proper authorities [and inform the General Counsel/report through the mechanisms outlined in [EMPLOYER'S NAME]’s [COMPANY ETHICS POLICY]].

Protection for good-faith reporting

Employees reporting suspected legal, ethical, or policy violations in good faith are safeguarded against retaliation or adverse consequences. [EMPLOYER'S NAME] is committed to fostering a culture of accountability and openness.

**ACKNOWLEDGEMENT OF RECEIPT AND REVIEW**

I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (employee name), acknowledge that on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (date), I received and reviewed a copy of [EMPLOYER'S NAME]’s [NAME OF POLICY]. I understand that it is my responsibility to familiarize myself with the policy and adhere to its terms.

I also acknowledge that this policy is not intended to create an employment contract or alter my at-will employment status, unless otherwise specified in a written agreement signed by an authorized representative of [EMPLOYER'S NAME]. Any delay or failure by [EMPLOYER'S NAME] to enforce the provisions of this policy does not constitute a waiver of its rights to enforce them in the future.

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Signature

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Printed Name

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date