

**Asian Art Museum Foundation  
Audit Committee Procedures for Handling Complaints  
Executive Summary**

The Sarbanes-Oxley Act of 2002 (“Act”) requires that audit committees establish procedures for the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls or auditing matters (“Accounting Matters”), and the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters. It is the recommendation of the Asian Art Museum Foundation Audit Committee (“Audit Committee”) that the Asian Art Commission and the Asian Art Museum Foundation (“Commission and Foundation”) approve the attached policy, which meets the requirements of the Act.

Under the proposed policy, the Audit Committee will establish an independent, third-party voicemail phone number (“Voicemail Box”) to receive anonymous and confidential complaints from employees. The voicemail phone number and other methods of submitting complaints will be communicated to employees in a number of ways, including but not limited to inclusion in the Museum’s Employee Handbook and posting on all staff bulletin boards in common areas. In addition, a mailing address will be included on the Museum’s Internet site allowing non-employees a means by which to make similar reports.

To comply with the Audit Committee’s responsibilities under the Act, and all concerns relating to defalcation, thefts or fraud, the Chair of the Audit Committee will be informed of all concerns and complaints relating to Accounting Matters and will provide reports to the Audit Committee regarding those matters, as appropriate.

The Audit Committee, with the assistance of whatever resources it deems necessary, will investigate the matter and determine the actions needed to resolve the complaint. An important component of the proposed policy is that no employee be subjected to retaliation because of a good faith report of a concern or complaint regarding any accounting, control or financial matter, or any alleged violation of law or policy.

Complaints that do not relate to the finance or Act matters noted above would be handled by the Commission Ethics Committee Chair. Those matters, to the extent appropriate, will continue to be reported to the Audit Committee.

Approval of the attached policy is recommended.

POLICY  
Asian Art Commission  
Asian Art Museum Foundation  
Policy for Handling Complaints

In compliance with the Sarbanes-Oxley Act of 2002 (“Act”) requiring audit committees to establish procedures for the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters, the Asian Art Museum Foundation (“Foundation”) and the Asian Art Commission (“Commission”) are committed to compliance with applicable securities and other laws, rules, and regulations, accounting standards and internal accounting controls. These procedures, which were adopted on December 15, 2004 by the Foundation Audit Committee, describe the methods that will be followed by the Asian Art Museum (“Museum”) to comply with the Act. Accounting, internal accounting controls and auditing matters shall be referred to as “Accounting Matters.” Accounting Matters may relate to any of the Museum’s affiliated groups.

**Employee Concerns and Complaints**

Each Commissioner, Trustee and employee of the Museum has the individual responsibility to report complaints or concerns regarding Accounting Matters promptly.

Employees of the Museum or any of its affiliated groups may direct concerns and complaints regarding Accounting Matters, or complaints that do not relate to finance or Act matters (“Non-Finance or Act Matters”), to the Voicemail Box, the Foundation Audit Committee Chair, or the Commission Ethics Committee Chair.

Any such person who receives a concern or complaint related to Accounting Matters or Non-Finance or Act Matters shall forward the concerns or complaints relating to Accounting Matters directly to the Chair of the Audit Committee as soon as practicable. Employees may report concerns or complaints anonymously.

The Voicemail Box will be a telephone number that employees may call to report Accounting Matters, defalcations, thefts, fraud, alleged violations of law, alleged violations of policies or Code of Conduct and other matters of complaint. The Voicemail Box will be established by the Museum, under the guidance of the Audit Committee, as a mechanism for anonymous and confidential reporting of the matters noted.

Reporting procedures, including the Voicemail Box number, will be publicized to employees in the Museum’s Employee Handbook, posted on all staff bulletin boards in common areas, and the Asian Art Museum web site.

**Protection Against Retaliation**

The Commission and Foundation are committed to the policy that no one will be subject to retaliation because of a good faith report of a concern or complaint regarding Accounting Matters or any alleged violation of law or policy. This policy extends to

discrimination against employees in any of the terms and conditions of their employment, including but not limited to job assignment, promotion, compensation, training, discipline and termination, because of a good faith report. The Employee Handbook shall inform employees that any suspected acts of retaliation must be reported immediately to the Ethics Committee Chair, Audit Committee or Voicemail Box.

### **Submission of Concerns and Complaints by Interested Parties other than Employees**

Submission of complaints and concerns regarding Accounting Matters may be submitted by individuals not employed by the Museum (“Interested Parties”). Interested Parties may communicate concerns and complaints regarding Accounting Matters by regular mail sent to:

Audit Committee Chair  
Asian Art Museum Foundation  
200 Larkin Street, 4<sup>th</sup> Floor  
San Francisco, CA 94102

Procedures for reporting of concerns or complaints relating to Accounting Matters from Interested Parties will be posted in an appropriate section on the Museum’s website ([www.asianart.org](http://www.asianart.org))

### **Treatment of Concerns and Complaints**

Upon receipt of a concern or complaint relating to an Accounting Matter, from whatever source, the Audit Committee Chair will, if possible, acknowledge receipt of the concern or complaint to the person who submitted the matter.

The Audit Committee Chair will inform the Audit committee of all concerns and complaints relating to accounting Matters, to comply with the Audit Committee’s responsibilities under the Act, and all concerns relating to defalcations, thefts or fraud, and will provide reports to the Audit Committee regarding those matters, as appropriate.

**Investigations of Concern and Complaints.** The Audit Committee will investigate any report regarding Accounting Matters and concerns relating to defalcations, thefts or fraud (1) on its own, (2) with the assistance of the Ethics Committee Chair, or any other senior management employee of the Museum it deems appropriate, (3) outside counsel, or (4) an outside party, auditor or consultant it deems appropriate. The Audit Committee’s authority to investigate does not preclude an investigation by the Ethics Committee Chair, senior management, or other appropriate persons.

Confidentiality will be maintained to the extent possible, consistent with applicable law and policy. The need to conduct an adequate investigation may be necessary to determine resolution of the matter or corrective action.

**Corrective Action.** If the investigation of the concern or complaint indicates that a violation of law, regulations or policy has occurred, the Audit Committee Chair may

present the findings of the investigation to senior management who will determine appropriate disciplinary measures or other corrective action. Senior management shall inform the Audit Committee Chair of its decision regarding disciplinary measures or corrective action prior to implementing such measures. The Audit Committee Chair may confer with the senior management regarding the appropriateness of the disciplinary measures or corrective action proposed.

**Reporting and Retention of Matters and Investigations.** The Audit Committee Chair will maintain a log of all concerns and complaints that relate to Accounting Matters and concerns relating to defalcations, thefts or fraud that are received. The Audit Committee Chair shall track the receipt, investigation, and resolution of all such concerns and complaints, and the Chair shall provide periodic reports thereof to the Audit Committee.

Copies of records relating to concerns and complaints received will be maintained in accordance with the Museum's records retention policy.

**Other Employee Complaints Received on the Ethics Hotline.** Concerns or complaints received on the Voicemail Box that do not relate to Accounting Matters, defalcations, thefts or fraud will be handled by the Ethics Committee Chair in accordance with procedures established by the Audit Committee. These concerns and complaints will be reported to the Audit Committee only as appropriate under Audit Committee procedures.