



12.3 Compliance Hotline Policy

Purpose:

To comply with PHI's Corporate Compliance Plan (Policy 12.1) and with the federal *Sarbanes-Oxley Act (SOX)* of 2002, the Audit Committee of PHI, Inc. has established the following policy *designed to enable employees or other interested parties to report concerns or complaints regarding:*

- (1) accounting, internal control or auditing matters;
- (2) *corporate compliance issues; and*
- (3) Air Medical compliance issues.

Policy/Procedure:

To comply with the PHI Compliance Policy and the SOX requirements, the Audit Committee establishes the following Policy/Procedures for receipt, retention and treatment of concerns and complaints and to do so in a way that provides confidential, *and* anonymous (*to the extent necessary or appropriate*) submission of these concerns and complaints.

- *PHI has established three separate "hotlines" (each accessed by a single external telephone number) to report potential violations of our corporate policies or applicable laws. These "hotlines" are operated by an independent, third party contractor for intake of complaints or concerns. Complaints and concerns will be directed promptly to the oversight member specified below. The external telephone hotline number is 866-815-7101.*
- **PHI Financial/Accounting Hotline.** *The first hotline relates to financial, accounting, or auditing matters. Messages on this hotline are delivered to the Audit Committee of the Board of Directors. Please feel free to contribute any comments through this interface regarding accounting or audit matters.*
 - *The external telephone hotline is 866-815-7101*
 - *A Secure Web Form may be used:*
www.openboard.info/phi/websubmit.cfm



- **PHI Corporate Compliance Hotline.** *The second hotline is dedicated to adhering to the highest ethical standards and to compliance with all applicable state and federal laws as well as foreign law where PHI does business. Among the applicable compliance areas covered are: Code of Ethics and Business Conduct, Insider Trading, Conflict of Interest, Anti-Trust, Anti-Corruption, Intellectual Property and International Traffic in Arms Regulations (ITAR) or Export Administration Regulations (EAR). Messages on this hotline are delivered to the Chief Compliance Officer.*
 - *The external telephone hotline is 866-815-7101*
 - *A Secure Web Form may be used:*
www.openboard.info/phi/websubmit_phi.cfm

- **PHI Air Medical LLC Compliance Hotline.** *The third hotline relates to compliance with all applicable laws, rules and regulations within the medical and ambulance industries. Messages on this hotline are delivered to the Compliance Officer, PHI Air Medical.*
 - *The external telephone hotline is 866-815-7101*
 - *A Secure Web Form may be used:*
www.openboard.info/phi/websubmit_med.cfm

- *The Audit Committee may delegate one or more of its members (SOX Compliance oversight member) the authority to investigate a complaint and report in writing to the Audit Committee in a timely manner all findings of fact, conclusions and proposed recommendations for remedial actions, if any. Delegation decisions will be made on a case-by-case basis, depending on the nature and significance of a complaint.*
- *Those conducting an investigation on behalf of the Audit Committee shall be vested with all the authority and power of the committee, including the power to retain advisors and independent counsel as deemed necessary by the oversight member.*
- *All proceedings of Audit Committee and investigations will be documented and retained pursuant to the company's document retention policy as confidential information.*
- *Callers who dial the telephone "hotline" number will be offered three choices: 1) Press 1 to report SOX accounting or auditing matters; 2) Press 2 to report PHI Corporate Compliance issues; or 3) Press 3 to report medical compliance issues.*
- *To the extent that the identity of employees reporting concerns are known, the Audit Committee will monitor any disciplinary action taken against such employees to ascertain whether it could subject PHI to anti-retaliation liability.*
- *The status of all pending concerns and complaints shall be reviewed at each regularly scheduled Audit Committee meeting.*
- *This policy/procedure will be reviewed by PHI's, Internal Audit Manager and Compliance Committee annually.*



Eligibility Requirements (if any):

All employees and stakeholders of PHI and its subsidiaries.

Responsibility, Interpretation and Exceptions:

The *Audit Committee* of the Board of Directors are the only individuals responsible for the interpretation of this policy.

Amendment & Termination:

The *Audit Committee* of the Board of Directors has the exclusive right to amend this policy in accordance with applicable law.

Employee and Director Certification (Attestation) Form:

Each PHI employee is required to complete the certification form at least initially upon publication of this Policy or upon hire. Directors, Company Officers, certain Senior Management and certain Senior Finance Personnel are required to certify compliance with the Compliance Hotline Policy on an annual basis.