

**SUNRISE COMMUNITY, INC. & AFFILIATES  
COMPLIANCE PROGRAM CHARTER  
JANUARY 2007**

Adopted by the Board of Directors, January 31, 2007  
Updated October 28<sup>th</sup> 2016

**1. PREAMBLE**

Sunrise Community, Inc. and other organizations associated with the Sunrise Group of Companies, the "Organization, ("Sunrise") hereby sets forth this Charter for its Compliance Program. Sunrise's adherence to the provisions of this Charter is intended to;

(1) support and maintain Sunrise's present responsibility with regard to participation in government health care programs; (2) further Sunrise's goal of establishing an organization that; (a) fosters and maintains the highest ethical standards among all of its employees, officers, directors, trustees, and contractors that furnish items or services; (b) values its compliance with all state and federal laws and regulations as a foundation of its corporate philosophy.

**II. COMPLIANCE PROGRAM**

The Sunrise Compliance Program includes the following committees and positions:

1. *A Committee of the Sunrise Board of Directors.* The Sunrise Board of Directors' Committee ("Board Committee") is comprised of members of Sunrise's Board of Directors, appointed by the Chairman. The Board Committee is responsible for the review of matters brought to its attention related to the Compliance Program.

a. The Board Committee shall assist Board oversight of Sunrise procedures and systems for ensuring that; (1) Sunrise employees, directors, trustees and operations comply with all applicable laws and regulations related to government

programs; (2) Sunrise, its employees, directors and trustees act in accordance with appropriate ethical standards; (3) Sunrise delivers high quality services to its consumers.

b. The Board Committee shall consider on a periodic basis (or, as appropriate, on an ad hoc basis), reports from the Compliance Officer and other Sunrise sources (including the Compliance Committee) that also are responsible for monitoring and addressing the Sunrise compliance-related issues. The Board Committee shall be responsible for monitoring the budget of the Sunrise Compliance Program to ensure that its budget and funding are sufficient to meet its annual needs as set forth in the annual work plan for the Compliance Program. The Board Committee shall meet as appropriate and shall keep a record of its proceedings for review by the full Board of Directors.

2. *Compliance Officer.* Sunrise has designated a Compliance Officer who is responsible for the management and operations of the Compliance Program. The Compliance Officer shall be a member of Executive Management of the Company and shall report directly to the Chief Executive Officer (CEO). In addition, the Compliance Officer shall report to the Board Committee as scheduled or as directed by the CEO or the Board Committee.

a. The Compliance Officer shall make annual reports regarding the Compliance Program to the Board Committee. The Compliance Officer may be asked to report to the Board of Directors (including the Board Committee) at any time.

b. To further his/her Corporate Compliance Program related duties, the Compliance Officer shall have the authority to monitor and to perform risk assessments of the business and service delivery activities engaged in by Sunrise, its employees, directors, trustees, contractors, agents and other medical personnel. The Compliance Officer shall have the authority to establish a periodic reporting mechanism to fulfill his/her reporting obligations to the CEO and relevant committees. The Compliance

Officer may also reasonably request and have access to any Sunrise business record or information at any time in furtherance of the mission of ensuring Sunrise compliance with applicable federal and state laws, regulations and company policies.

c. The Compliance Officer shall be responsible for developing an annual compliance work plan, an annual budget and an annual progress report for the Compliance Program and present the work plan, annual budget and the annual report to the CEO and The Board Committee.

3. *Compliance Program.* The Sunrise Compliance Program, which is managed by the Compliance Officer, is responsible for ensuring Sunrise is in compliance with all applicable federal and state laws related to service delivery systems. Among its responsibilities, the Compliance Program shall be responsible for; (1) assessing, critiquing, and (as appropriate) drafting company policies and procedures related to compliance issues; (2) assessing the need for, developing, and providing compliance-related education and training to Sunrise employees, directors, trustees, contractors, agents and other medical personnel; (3) coordinating the work and functioning of the Compliance Committee; (4) monitoring, responding to and resolving all compliance-related issues that arise from any of the various methods of any compliance reporting that Sunrise may employ for this purpose, or any other source that results in a report to the Compliance Officer; (5) ensuring that appropriate corrective action is taken by Sunrise when non-compliant conduct is identified using the management structure; (6) monitoring and measuring Sunrise adherence to all applicable Sunrise policies and legal and regulatory requirements related to the Sunrise service delivery system.

*Compliance Committee.* The Sunrise Compliance Committee (“SCC”) shall be chaired by the Compliance Officer and shall include the President & Chief Executive Officer, Chief Operating Officer, Vice President and Corporate Secretary/Treasurer, Director of Finance

and Accounting, Corporate Controller, Administrator of Treasury Services, Vice President of Customer Services and Operations Support, Chief Information Officer, Director of Sunrise University, Vice President of Development, Division Vice President-Florida, Director of Corporate Human Resources, Human Resources Officer, Vice President of Risk Management and Administrative Services, Regional Administrator of Alabama, Georgia, North and Central Florida, Regional Administrator of Connecticut, Maryland and Virginia, Chief Philanthropy Officer and Administrator of Corporate Governance & Support.

The SCC provides senior management level oversight to ensure that the company operates in compliance with the legal and regulatory requirements of government health care programs. The SCC oversees and advises on the effectiveness of the Compliance Program and makes recommendations on investments in the Program which are communicated to Sunrise Community's Executive Management Team for ratification as appropriate. While all Compliance Policies and Procedures shall be reviewed by the Policy & Values Committee, the SCC shall be familiar with Sunrise compliance policies and procedures and shall monitor, with input from the Compliance Officer, all compliance related issues that may have a material impact on the operations of Sunrise Community. The SCC shall meet on at least a quarterly basis or more often as necessary and shall keep a record of its proceedings for review by the Board Committee or the full Sunrise Board of Directors as appropriate.

### **III. ANNUAL PERFORMANCE EVALUATION**

On an annual basis, Sunrise shall perform an assessment and review of the performance of Sunrise Compliance Program. The results of that review shall be reported to the CEO and the Board Committee. In addition, the SCC shall review and reassess, at least annually, the

adequacy of its Charter and recommend to the Board Committee any improvements to the Charter that the Compliance Committee considers necessary or appropriate.