

POLICY:
CORP001

EFFECTIVE DATE:
NOVEMBER 15, 2016

AUTHORITY:
CHIEF COMPLIANCE OFFICER

1.0 PURPOSE/SCOPE

- 1.1 All Performant Financial Corporation employees and officers (and those of its subsidiaries), regardless of position, are expected to devote their best efforts and attention to the full-time performance of their jobs with the highest level of integrity and ethical standards and in accordance with all applicable laws.
- 1.2 No Conflict of Interest/Ethics policy can cover all possible circumstances or anticipate every situation. Consequently, if an employee or officer encounters a situation not specifically addressed in this policy, such person should apply the overall philosophy and concepts of this policy, which reflects the highest ethical standards. If, after doing so, a question still exists, the particular circumstances should be discussed with the reporting employee's supervisor or other appropriate manager within the department, Human Resources, the Chief Financial Officer or with the Compliance Officer.
- 1.3 Violations of this policy or of any direction given by management in order to effect the provisions, goals and aims of this policy may result in disciplinary action, up to and including termination of employment.

2.0 RESPONSIBILITY

- 2.1 All employees and officers of the Company (including its subsidiaries) (Performant Team) are expected to use good judgment, to adhere to high ethical standards and to avoid situations that create an actual or potential conflict of interest between the employee's personal interests and the interests of the Company or its customers. As well, all employees and officers of the Company must comply with all of the laws, rules and regulations of the United States and other countries, as well as the states, counties, cities and other jurisdictions, applicable to the Company or its business.
- 2.2 Human Resource Management is responsible for interpreting and assisting with the application of this policy.
- 2.3 The Audit Committee of the Board of Directors is responsible for establishing procedures for the receipt, retention and treatment of complaints regarding questionable accounting and auditing matters which are set forth in the Company's Whistle Blower Policy. In addition, those persons designated as the Company's senior financial officers (as well as all members of the Board of Directors of the Company) shall also be required to comply with the provisions of the Company's Code of Ethics for Senior Financial Officers and Directors.

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- 2.4 The Compliance Officer, or designee, will have responsibility for ongoing education and training on compliance issues as well as the collection and securing of signed employee compliance documents. The Compliance Officer will be a contact point for employees who need questions answered, or who wish to report a potential violation of business conduct guidelines. The Compliance Officer reports to the Company's Board of Directors in this capacity.
- 2.5 The Compliance Officer is responsible for maintaining this policy and effecting any changes, as necessary.

3.0 GENERAL INFORMATION

- 3.1 A conflict of interest exists when the employee's loyalties or actions are divided between the Company or its Customers' interests and those of another, such as a competitor, supplier, client or the employee himself or herself. Both the fact and the appearance of a conflict of interest are to be avoided. Failure to avoid conflicts of interest may result in discipline up to and including termination. Confidential information cannot be disclosed by any employee to any third party unless the third party has signed a non-disclosure agreement (also referred to as an "NDA") approved by the Company's management or is otherwise under a duty of confidentiality to the Company and should be divulged only to persons having a need to know the information in order to carry out their job duties.
- 3.2 The Company's assets are much more than money, equipment, inventory or office supplies. They include business strategies and plans, financial data, intellectual property rights and other information about our business. All assets of the Company are to be used solely for the benefit of the Company and associated clients, where appropriate. Every Company employee is responsible for ensuring that the Company's assets are used only for valid Company purposes, though incidental personal use may be permitted.
- 3.3 This policy does not attempt to describe all possible conflicts of interest/ethics issues that could develop. Some of the more common conflicts from which employees should refrain, however, include the following:
- 3.3.1. Accepting personal gifts or gratuities valued in excess of \$25.00 or entertainment or payment of expenses for business meals or trips without discussing with and obtaining approval from an Executive Staff Member (Vice Presidents and above who report directly to the CEO). In no event may a gift, gratuity or expense payment influence a business decision, transaction or service.

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- 3.3.2. Using proprietary or confidential Company information for personal gain.
 - 3.3.3. Using Company assets or labor for non-Company business, though incidental personal use may be permitted.
 - 3.3.4. Entering into a romantic relationship with a subordinate employee, a peer at management level or with an employee to whom one reports directly.
 - 3.3.5. Acquiring any interest in property or assets of any kind for the purpose of selling or leasing such property or assets to the Company.
 - 3.3.6. Committing the Company to give its financial or other support to any outside activity or organization without prior written approval from an Executive Staff Member (Vice Presidents and above who report directly to the CEO).
 - 3.3.7. If an employee or someone with whom an employee has a close relationship (a family member or close companion) has a financial or employment relationship with a competitor, supplier or potential supplier, the employee must disclose this fact in writing to the Compliance Officer.
 - 3.3.8. Certain other conflicts of interest with respect to our federal government clients are described in Performant's Code of Business Ethics and Conduct. All persons working on a contract for Performant where the federal government is the ultimate customer (i.e., Performant is either the prime contractor or a subcontractor) should adhere not only to this Conflict of Interest/Ethics policy but also the terms of Performant's Code of Business Ethics and Conduct.
- 3.4 Employees who come into possession of non-public information regarding the Company or any other companies as to which the employee receives the information not available to investors generally must safeguard the information from the public and not intentionally or inadvertently communicate it to any person (including family members and friends) unless the person has a need to know the information for legitimate, Company-related reasons. This duty of confidentiality is important both as to the Company's competitive position and with respect to the securities laws applicable to the Company as a public company.
- 3.5 Employees are to abide by any specific agreements, such as the Employment Agreement and the Confidentiality Agreement and Company policies Whistle Blower Policy and Confidentiality Policy regarding confidentiality between the employee and the Company.

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- 3.6 While the Company competes vigorously for business, the Company is committed to comply with antitrust and competition laws of the jurisdictions where it operates. Generally speaking, these laws prohibit practices, which might be unreasonably restricting competition. Employees are forbidden to engage in practices that are generally acknowledged to violate antitrust and competition laws. Generally, the laws stipulate that competitors may not agree upon prices charged for goods or services or the terms of sale or levels of production. Other prohibited activities include boycotts of customers or third parties to accomplish anti-competitive ends or enter into an unlawful tying arrangement with a client. If employees have any concerns or questions regarding the terms or structure of a commercial activity, employees should contact the Compliance Officer or the CEO or for financial activity the CFO.
- 3.7 The Company strives to provide a safe and healthy work environment. All employees have a responsibility for maintaining a safe and healthy workplace for all other employees by following the Company's safety and health rules, policies and practices and reporting accidents, injuries and unsafe equipment, practices and/or conditions.
- 3.8 There are situations where speaking fees, appearance fees, meeting fees or stipends (honoraria) may be offered to employees. The specific circumstances of the event will determine whether it is appropriate for the employee to retain the honorarium or submit it to the Company. As a general rule, honoraria must be submitted to the Company if:
- (1) The speech or service is performed during regular working hours for which compensation from the Company is received, regardless of the subject matter; or
 - (2) The subject involves matters directly related to the Company, such as products, policies, plans, systems, procedures or experiences, regardless of whether or not the speech or service is performed during regular working hours.
- 3.9 Employees must also refrain from accepting reimbursement for travel, lodging and meal expenses related to the speech or service unless preauthorized by the Company. In those cases where the speech or service is requested or authorized by the Company, these expenses will be reimbursed to the employee by the Company based on the Company's employee expense reimbursement policies and procedures. An employee may retain the honorarium if the subject is of an academic nature and the employee's identification with the Company is not relevant to the presentation. If an employee has any doubt about the rules governing whether the employee may keep an honorarium from their speech or service, they are to review the matter with the Compliance Officer.

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Healthcare Clients

3.10 As a Medicare Recovery Audit Contractor (RAC) the Company will submit to clients, as required, its Code of Business Ethics and Conduct procedures (for its internal employees and to its subcontractors). These contractually required procedures describe all business or contractual relationships or activities that may be viewed by a prudent person to be a conflict of interest and address the mechanism for reporting actual or potential conflicts of interest. The Company utilizes its completed Code of Conduct and Ethics Procedure (the Code) forms to monitor and mitigate potential and actual conflicts, and submits the same to its clients, as required, which is updated annually as part of the RAC contract. Depending on each employee's job or responsibilities with the Company, employees who work on such related healthcare client contracts should be familiar with these policies.

For all other instances, it is sufficient to understand that there are certain laws and regulations that are designed to ensure that competition for Federal procurement must be fair, so that no one gains an unfair competitive advantage and the services provided to the government are unbiased. Under the Federal Acquisition Regulation (FAR), an organizational conflict of interest "may result when factors create an actual or potential conflict of interest on an instant contract, or when the nature of the work to be performed on the instant contract creates an actual or potential conflict of interest on a future acquisition." (FAR 9.502(c)).

If an employee has any questions about whether an organization conflict of interest exists, they are to review this policy, the Code, and/or discuss with the Compliance Officer.

3.11 Certain clients have contractually imposed certain conflict of interest requirements on the Company. These requirements may include statutory and regulatory annual disclosure requirements which are to be followed. Additionally, there are flow-down requirements that the Company must include in each subcontract. These conflict of interest requirements are implemented in this policy, the Code, and through disclosure activities undertaken by the Compliance Officer. If an employee has any questions about these requirements, he or she should contact the Compliance Officer.

3.12 Healthcare fraud and abuse is strictly prohibited. Employees have an affirmative duty to report to the Compliance Officer any healthcare fraud and/or abuse. All books and records must be accurately recorded and reported.

- All proposals, budgets and other documents must be accurately recorded and reported.

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- All cost reports and time sheets must be accurately recorded and reported.
- Record retention policies must be followed.
- All government property must be adequately recorded and protected.

3.13 Healthcare fraud and abuse is a significant problem for Medicare programs. The Company is totally committed to working with its healthcare clients to safeguard Medicare funds by preventing such activities whenever possible. No employee may knowingly submit or assist others in the submission of fraudulent claims or cause fraudulent payments to be issued to themselves, the Company or any other parties through any corporate system or process. Further, anyone who has knowledge of such fraudulent activities has the duty and obligation to inform the Compliance Officer or CFO immediately. Employees are expected to be vigilant in watching for these activities and to immediately report to the Compliance Officer or CFO all suspected fraudulent or abusive practices by providers, beneficiaries, vendors or other employees. All such referrals will be kept in confidence.

4.0 OUTSIDE EMPLOYMENT AND OTHER ACTIVITIES

4.1 A Conflict of Interest (COI) may also exist if any outside activities hinder, distract or render impartial assistance, advice or business decisions while conducting company business. This would include even the appearance of improper influence of judgment or performance for the Company. If the outside employment is authorized in writing, the Company assumes no responsibility for the outside employment. The Company shall not provide workers' compensation coverage or any other benefit for injuries occurring from or arising out of outside employment. Authorization to engage in outside employment can be revoked at any time at the Company's discretion, consistent with any requirements of applicable law. No Performant Team member may engage in any outside activity that negatively impacts his or her job performance. Although not all inclusive, the following types of outside employment are strictly prohibited:

- Employment that conflicts with a Performant Team member's work schedule, duties and responsibilities, such as:
 - Outside employment that creates a COI or is incompatible with Performant Team member's employment or contract with Performant.
 - Outside employment that impairs or has a detrimental effect on the Performant Team member's performance with Performant.
 - Outside employment that requires the Performant Team member to perform work for the outside employer during their Performant working hours or to use Performant's facilities, equipment, or other resources.
 - Outside employment that directly or indirectly competes with the business or interest of Performant.

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- Generally, any outside employment with a competitor, provider, client or entity which seeks to do business with or has a business relationship with Performant and/or its clients (including the Centers for Medicare and Medicaid Service "CMS") is not permitted. This includes acting as a director, officer, agent, employee, or in any capacity for an organization or person the Company does business with. Any form of employment relationship with an organization other than the Company must be documented in writing and pre-approved by the Compliance Officer. The Compliance Officer has the authority to make hard and unpopular decisions and enforce these decisions.

- 4.2 The above section specifically includes any Performant Team member, including nurses, therapists, or coders, etc. who review claims from a provider that had been their employer within the previous 12 months or who after becoming employed as a Performant Team member, elects to do outside consulting or hold any type of position providing services similar to those performed for the Company must request pre-approval in writing from the Compliance Officer to do such work prior to any work being performed. The Compliance Officer has the right to investigate any questionable/potential COI to ensure compliance with this program.
- 4.3 In addition, to prevent COI issues, the Contractor Medical Director (CMD) must provide written notification to the Company and CMS within three months of any appointment, election, or membership effective date in the event the CMD becomes a committee member or is appointed or elected to be an officer in any state or national medical society or other professional organization. In addition, CMDs who are currently in practice are required to notify the Company and CMS of the type and extent of their practice.
- 4.4 If the outside employment is authorized in writing, the Company assumes no responsibility for the outside employment. The Company shall not provide workers' compensation coverage or any other benefit for injuries occurring from or arising out of outside employment. Authorization to engage in outside employment can be revoked at any time at the Company's discretion, consistent with any requirements of applicable law.

5.0

OVERSIGHT FOR CONTINUOUS MONITORING AND MITIGATION OF CONFLICT OF INTEREST

- 5.1 As a means for ensuring consistency and assuring that the Performant Team is providing unbiased and impartial services and/or advice to our clients, including CMS, our Compliance Officer has approved a detailed set of COI policies and procedures.

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- 5.2 The Company's policies and procedures will ensure that no new or existing Performant Team member has any existing or potential COI. The policies and procedures will include the following elements:
- Workshops and training to identify actual or potential COI.
 - Signed certifications affirming Performant Team members fully understand the Company's COI policy.
 - Compliance as an element of performance evaluations.
 - Disclosure of potential COI any Performant Team member anticipates in the future.
 - Signed agreement to report immediately any COI or potential COI that may arise.
 - Signed confidentiality and/or non-disclosure agreements.
 - Signed financial and other interest disclosures.
- 5.3 Training will be conducted with new Performant Team members and repeated on an annual basis. Formal training will be conducted on site or via teleconference with each participant receiving written training material containing all of the policies, guidelines, and contract-specific information required to ensure complete understanding of and compliance with the COI policies and procedures. Some of the lessons in COI training include:
- Various examples of what constitutes COI for the Performant Team.
 - Categories of COI through discussion, scenarios, and interactive Q&A sessions.
 - How to complete the Performant Financial Disclosure Report for those affected Performant Team members.
 - Examples of how a seemingly small COI can escalate to have serious ramifications for the entire Company.
 - Recognizing and reporting incidents concerning COI, through the multiple reporting channels available within our organization.
- 5.4 Each participant will be required to sign certifications stating that they fully understand the COI policies and procedures and provide a signed agreement to report any COI that may arise. Additionally, ongoing annual formal and informal training will be provided. The Company will ensure enforcement of standards through well publicized guidelines that include disciplinary action up to and including termination for individual employees, as well as its subcontractors, which are a major element of the annual performance evaluations. The Company will also publish reminders for Performant Team members and conduct an annual internal audit.

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- 5.5 The affected Performant Team members will be required to complete the Performant Financial Disclosure Report documentation upon hire, annually, and on an ongoing basis as any perceived, potential, or actual new COI arise. All signed certifications, disclosures, and documentation will be reviewed by the Compliance Officer and will be kept on file for the duration of the contract. If the Company determines that there is a COI, a mitigation strategy will be developed in conjunction with the Performant Team member. If the Performant Team member fails to comply with the mitigation strategy either directly or indirectly, the Company may terminate the employee or subcontract agreement.
- 5.6 The Compliance Officer will conduct annual audits of the Performant Team to continue to identify potential and/or actual organizational, employee and/or subcontractor COI and propose mitigation methods so that conflicts can be resolved in accordance with contract guidelines. The annual report of all findings will be prepared and submitted to the Performant Board of Directors for review. If any COI exists which are either not disclosed/mitigated or any other change is required in the audit findings, the Compliance Officer will develop a mitigation plan and apply it, as required.
- 5.7 The Compliance Officer will also conduct reviews of contractual agreements for the Performant Team on an annual or as needed basis to ensure that no Performant Team member has entered into or is proposing to bid on a contract where there is a potential for a COI. The Performant Team member will be required to submit to the Compliance Officer any potential contractual relationships where COI may be in question. In the event there may be a question as to whether or not there is potential for a COI, the Compliance Officer will review the situation as required.

6.0 INTERACTING WITH THE GOVERNMENT

- 6.1 There are strict limitations on offering gifts and outright prohibitions against making payments of any kind to Federal government officials or employees. These limitations and prohibitions apply to all agencies of the Federal government, including agencies such as the Centers for Medicare and Medicaid Services and other subdivisions of the Department of Health and Human Services, etc.

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- 6.2 Gifts may be offered to Federal government officials and employees only if they are items of nominal value, such as Company-approved mementos or modest refreshments. Items of nominal value may be given to Federal government officials and employees only if the combined value of the items does not exceed \$20 per person, per occasion and the annual value of the items offered to any single government agency employee does not exceed \$50 in the aggregate (hereinafter referred to as the \$20/\$50 Rule). Notwithstanding the \$20/\$50 Rule, under no circumstances shall remuneration ever be offered to any Federal government official or employee. No payment of money, gifts, services, entertainment or anything of value may ever be offered or made available in any amount, directly or indirectly, to any government official or employee as an inducement to modify or compromise the performance of his/her responsibilities. Employees who have questions about these limitations and prohibitions should contact the Compliance Officer before offering any item of nominal value to a government official or employee in excess of the \$20/\$50 Rule.
- 6.3 There are strict laws and regulations that govern recruiting and hiring Federal government personnel. These are referred to generally as “revolving door” rules and they apply not only to personnel hired by the Company, but also to individuals retained as consultants. A violation of the “revolving door” rules poses the risk of civil and/or criminal penalties. The rules that apply are diverse and complex. For instance, under one law, certain government employees, known as “procurement officials” (principally individuals who draft or approve contract statements of work and specifications or who evaluate proposals or make contract award) cannot engage in employment or consulting discussions with a contractor during a procurement (a procurement includes an award of a contract or a covered contract modification), unless they obtain advance approval from their agency’s ethics officer. Federal government procurement officials are also subject to certain restrictions for two years after they leave government service. Under another Federal law, certain high-level government officials cannot lobby their former agencies for one year after they leave government service. “Lobbying” is defined very broadly to include oral as well as written communications with a government agency. Generally, government personnel must obtain an ethics ruling from their agency’s ethics officer to definitively outline what they can and cannot do in their future employment. Although the Company does not expect its employees to know the intricacies of the revolving door rules, all employees are expected to seek guidance and approval from the Compliance Officer before engaging in any discussions with any current or former Federal government personnel for employment or consulting purposes.

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- 6.4 It is a felony to knowingly make false claims or statements to the Federal government. Such conduct by any Company employee will not be tolerated. The Company and its employees may be subject to civil and criminal sanctions, including fines, prison, suspension or debarment from Federal contracting for making false claims, statements or certifications. It also may subject the Company to time-consuming and costly audits, investigations and/or litigation. It is, therefore, essential the every employee take all steps necessary to ensure that no one makes or transmits false claims, statements or certifications. Any questions about this should be referred to the Compliance Officer.

7.0 PROTECTION OF CONFIDENTIAL AND PROPRIETARY INFORMATION

- 7.1 Confidential information consists of various types of information that is given special protection by the Company. Employees must consult with the Company's Confidentiality Policy before using or disclosing confidential information.
- 7.2 The Company's work includes routine access to Personally Identifiable Information (also known as "PII"), including personal and medical information. Similarly, the Company's business involves the use of financial and operational information that is the property of the Company and is essential to its success and may not be available to the public. The inappropriate or unauthorized use or disclosure of such information could cause harm to the Company and clients in both the health and private and public sectors and may subject an employee to sanctions up to and including immediate termination of employment. In some cases, such disclosure would be a violation of Federal and/or State laws and regulations, possibly subjecting the employees and the Company to civil and/or criminal liability and/or suspension or debarment from Federal contracting.
- 7.3 Subject to legal limitations: The Company reserves the right to determine if an employee's activities are inconsistent with the Company's and its Customers' best interests. If the Company determines and notifies the employee there is a conflict of interest (including an employee's pursuit of a business opportunity), the employee must discontinue the activities immediately.

8.0 CONDUCTING BUSINESS WITH SUPPLIERS, VENDORS, HEALTHCARE PROVIDERS AND MEDICARE BENEFICIARIES

- 8.1 The Company is successful because of the quality and value of its services and the respect and confidence instilled in customers. However, conducting business with suppliers and providers can pose ethical or even legal problems for employees. The guidelines outlines in this policy are intended to help employees make appropriate ethical decisions in potentially difficult situations.

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8.2 Kickbacks, rebates and business courtesies from suppliers and providers can take many forms and are not limited to direct cash payments or credits. The laws and rules prohibiting these activities range from generally prohibiting a contractor from receiving something of value in return for awarding a subcontract to prohibitions against sophisticated arrangements between payors and healthcare providers.

For the purpose of this policy, a good general rule is if an employee or an employee's family stands to gain personally as a result of any type of transaction between a third party and the Company, then it is prohibited. Such practices are not only unethical but are, in most cases, illegal.

8.2.1. The FAR defines a "kickback" as "any money, fee, commission, credit, gift, gratuity, things of value or compensation of any kind which is provided, directly or indirectly, to any prime contractor, prime contractor employee, subcontractor or subcontractor employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with a prime contractor in connection with a subcontract relating to a prime contract". (FAR 3.502-1) A "rebate" is a discount, some form of payment or a refund that occurs after a payment is made. An employee must never solicit anything of value (kickback or rebate) from a vendor, supplier, healthcare provider or Medicare beneficiary in return for obtaining favorable treatment for the employee, his or her family, or Performant. As a government contractor, the Company has incorporated into this policy highlights of the Anti-Kickback Act. Employees involved with vendors, suppliers, healthcare providers, Medicare beneficiaries and/or other government, public and/or private clients should be familiar with these policies.

8.2.2. Company employees cannot accept business courtesies from vendors, suppliers, healthcare providers or other outside third parties, except in the limited circumstances discussed below. A business courtesy generally is a gift or favor for which an employee pays nothing or less than fair market value, including tangible or intangible benefits. Employees must be sensitive to situations where accepting business courtesies, such as meals, tickets to sporting events or even sharing a ride in a taxicab/limousine, could be considered a reward or an inducement for special treatment or could cause or create the appearance of favoritism. Employees should avoid receipt of business courtesies beyond the infrequent receipt of a courtesy of nominal value. "Nominal" is defined to mean item less than \$20 in value per occasion and "infrequent" is defined to mean receipt of less than \$50 in aggregate value per year from one source (the \$20/\$50 Rule). The

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Company recognizes that there may be circumstances in which the receipt of a business courtesy beyond the \$20/\$50 Rule is appropriate. If an employee believes such a circumstance exists, the employee must obtain prior approval from the Compliance Officer, where possible, before receiving any business courtesy that exceeds \$20 in value.

- 8.2.3. The FAR imposes certain restrictions on a contractor's ability to access certain types of information related to procurement. For example, a contractor that obtains source selection information may be precluded from competing for a Federal procurement. Source selection information includes information that has not been previously made available to the public or disclosed publicly, such as:
- Bid prices submitted in response to a Federal agency invitation for bids or a list of those bid prices before bid opening;
 - Proposed costs or prices submitted in response to a Federal agency solicitation or list of those proposed cost or prices;
 - Source selection plans;
 - Technical evaluation plans;
 - Technical evaluations of proposals;
 - Cost or price evaluations of proposals;
 - Competitive range determination that identify proposals that have a reasonable chance of being selected for award of a contract;
 - Rankings of bids, proposals or competitors;
 - Reports and evaluations of source selection panels, boards or advisory councils; or
 - Other information marked with a restrictive legend that reads: "Source Selection Information..." – See FAR 2.101 and 3.104 -- "...based on a case-by-case determination by the head of the agency or the contracting officer, that its disclosure would jeopardize the integrity or successful completion of the Federal agency procurement to which the information relates."
- 8.2.4. In the instance of the Company purchasing goods or services from a supplier who also buys services from the Company, any form of pressure for reciprocity with that supplier is prohibited. Suppliers must not be asked to buy the Company's services in order to become or continue to be a supplier to the Company. Likewise, the Company is under no obligation to purchase goods or services from a supplier just because the Company sells to them.

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8.2.5. It is the policy of the Company not to transact business with individuals or firms that have been suspended or debarred from contracting with the Federal government. Likewise, the Company may not transact business or work with any person or organization that has been excluded from government programs. It makes no difference whether the proposed business relationship is that of individual employment, that of a subcontractor indirect vendor or that of a consultant. The General Services Administration maintains a listing of individuals and entities that have been debarred from further participation in government contracts on an Internet website at <http://www.arnet.gov/epl>. This website is updated on a monthly basis. Under the Company's healthcare contracts the OIG maintains a List of Excluded Individuals/Entities on its Internet website at <http://oig.hhs.gov/FRAUD/exclusions/listofexcluded.html>. This website is updated on a regular basis to reflect the status of individuals and entities that have been excluded from participation in the Medicare and Medicaid programs.

9.0

EMPLOYEES WILL RECORD AND REPORT ALL DATA AND INFORMATION ACCURATELY AND HONESTLY

- 9.1 The Company maintains a system of internal controls that is designed to reasonably ensure that all transactions, including public filings are properly executed and recorded in accordance with management's authorization. All employees are expected to adhere to the Company's policies and internal controls. In addition, employees may be subject to Personal Conflict of Interest rules pursuant to FAR 3.11.
- 9.2 No unauthorized or unrecorded funds or assets may be created or maintained for any purpose. In addition, the making of false entries in the Company's books and records is strictly prohibited. Employees may not engage in any transactions that require or contemplate the making of false or fictitious entries.
- Federal and State laws require the Company to ensure that its books and records accurately reflect the true nature of the transactions represented. It is against the policy of the Company and possibly illegal, for any employee to intentionally, either by entry of false information or through a deliberate omission, to cause books and records to be inaccurate.
- 9.3 As a public company, complete, accurate and reliable public filings, proposals, budgets and other documents are essential to efficient management, as well as for compliance with reporting requirements and other standards

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established by law or regulation. Company personnel must create and maintain documents in accord with Federal laws and regulations, as well as with Company policies regarding the proper preparation and submission of these internal and external documents.

Company employees must also exercise care in preparing and submitting public filings, proposals, budgets and other documents containing certifications and representations. It is the responsibility of all Company employees who prepare, sign or in any way supports these records to ensure that they are prepared accurately.

Proposals, budgets and many other important internal and external records that the Company furnishes to public agencies, Federal government agencies, public and private clients contain certifications and representations. These certifications and representations impose significant disclosure and other legal obligation on the Company and its personnel. False certifications and representations can result in possible criminal prosecution, loss of contracts and/or other sanctions against the Company and individual employees.

- 9.4 Employees must exercise extreme care in reporting costs or expenses and filling-out time sheets in a timely, accurate and complete manner. Employee time must be accurately recorded. For direct charge work, only work actually performed on a Federal contract should be charged to that contract. Similarly, indirect charges must be proper and accurate. Overtime should be charged only when approved by management and performed. In addition, no cost may be charged or allocated to a Federal contract if it is unallowable or inapplicable by law, regulation or contract provision or if it is otherwise improperly claimed. Time sheets and time records, including attendance data submitted through the Company's accounting system, must be accurate and complete. Managers must review employee cost records and take appropriate steps to verify their validity.
- 9.5 Disposal or destruction of the Company's electronic or paper records and files is not discretionary. Laws and regulations require the retention of certain records for various periods of time, particularly in the areas of tax, claims, human resources, health and safety, environmental, contract and corporation. In addition, when litigation or a government investigation or audit is pending, relevant records may not be destroyed until the matter is closed. Destruction of records to avoid disclosure in a legal proceeding may constitute a criminal offense. If an employee is uncertain about the proper retention period for any document or possible restrictions on destroying a record, the employee should refer to the Company's Records Retention and Destruction Policy and/or contact the Compliance Officer before taking action on (i.e., destroying) the record.

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9.6 Under contracts with the government, the government provides to the Company (or the Company has acquired) government property. The Company is responsible for and liable to the government for any such property in our possession. Normally, the Company and the Federal government will agree upon a property control system. It is essential that Company employees follow that system to the letter. In addition, the government has the rights to any records created by the Company to keep track of government property. (See FAR Part 45)

10.0 ACCOUNTABILITY FOR ADHERENCE TO THIS POLICY; WAIVERS

10.1 The Board of Directors shall determine, or designate appropriate personnel to determine, appropriate actions to be taken in the event of any violation of this policy. Such actions shall be reasonably designed to deter wrongdoing and to promote accountability for adherence to this policy, and shall include a written notice to the individual involved, when appropriate and able to do so, that the Board of Directors or its designee has determined that there has been a violation, and may include censure by the Board of Directors or its designee, demotion or re-assignment of the individual involved, suspension with or without pay (as determined by the Board of Directors or its designee) and termination of the individual's employment or other service.

10.2 Any waiver of this policy for executive officers or directors may be made only by the Board of Directors or the Nominating and Governance committee which is responsible for corporate governance, and will be promptly disclosed as required by law.

11.0 NO RETALIATION

11.1 The Company will not allow retaliation against an employee for good faith reporting of an actual or a possible violation of this policy. Retaliation for reporting a federal offense is illegal under federal law and prohibited under this policy. Such retaliation will result in discipline up to and including termination of employment and may also result in criminal prosecution.

An employee making a good faith report is protected from retaliation even if the investigator does not agree that there has been a violation. However, if the employee making the report was involved in improper activity, the fact that he or she reported it will not necessarily prevent him or her from being disciplined for his or her participation in the violation. In these circumstances, the Company may consider the employee's conduct in promptly reporting the information as a mitigating factor in any disciplinary decision.

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12.0 REPORTING VIOLATIONS OF THIS POLICY

12.1 Employees are responsible for being aware of the corporate policies applicable to their activities and to comply with them fully. If you become aware of a violation of this policy or believe that a violation is imminent, you must promptly report the matter to the Compliance Officer which may be done through any of the following methods:

- Voice message at 925-960-4787;
- Email to COethics@performantcorp.com;
- HR/Ethics Hotline on-line submission through the company's intranet site on HR Connect at <https://intranet/sites/hr/hr/SitePages/Home.aspx>;
- Letter to Performant Financial Corporation, Attn: COi/Ethics Hotline/Compliance Officer, 333 North Canyons Parkway, Livermore CA 94551;

Failure to report a known violation allows misconduct to go uncorrected and is itself grounds for discipline. If the report pertains to concerns regarding questionable accounting or auditing matters, the employee should follow the procedures set forth in "Annex A" of the Whistle Blower Policy.

12.2 Employees submitting a report on an anonymous basis are strongly encouraged to keep a copy of the report (if made in writing) and a record of the time and date of their submission, as well as a description of the matter as reported if the report was not in writing. Employees are encouraged to provide as much specific information as possible, including names, dates, places and events that took place, relevant documents and the employee's perception of why the incident(s) may be misconduct. If possible, the employee should provide a means by which she/he can be contacted in the event that an investigator needs to follow-up or wants to report back to the employee.

13.0 MODIFICATIONS AND REVIEW

13.1 This Conflict of Interest/Ethics Policy has been approved by the Company's Nominating and Governance Committee. Officers of the Company may, from time-to-time, make non-substantive modifications to this Conflict of Interest/Ethics Policy (including, without limitation, substitution of the names of the appropriate contact persons within the Company) with subsequent notice to the Company's Nominating and Governance Committee.

13.2 This Conflict of Interest/Ethics Policy is reviewed by the Company's Nominating and Governance Committee on an annual basis.

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REFER TO:


- Code of Ethics for Senior Financial Officers and Directors
- Whistle Blower Policy (CORP002)
- Confidentiality Policy (CORP003)
- Performant's Code of Business Conduct and Ethics procedure (Internal and to Contractors/Subcontractors)
- Records Retention and Destruction Policy (CORP005)

PERFORMANT		CONFLICT OF INTEREST/ETHICS POLICY	
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Approvers

Nominating and Governance Committee	
Bruce Hansen Committee Chair	
	11/16/16
Signature	Date

Executive Approval	
Hal Leach Chief Compliance Officer	
	11/18/16
Signature	Date

Document Owner	
Michele Blake Executive Assistant	
	11/16/16
Signature	Date

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**POLICY:
CORP001**

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CHIEF COMPLIANCE OFFICER**

Revision History

Rev #	Description	Reviewed By	Approved By	Date
1	Initial Release	B. Calvin	B. Calvin	03/19/09
2	Upon review of the policy, adjustments were made to make the policy up-to-date with current practices.	B. Calvin	B. Calvin	07/01/09
3	Upon review of the policy, adjustments were made to make the policy up-to-date with current practices.	B. Calvin	B. Calvin	01/07/10
4	Upon review of the policy, adjustments were made to make the policy up-to-date with current practices.	B. Calvin	B. Calvin	12/16/10
5	Upon review of the policy, adjustments were made to make the policy up-to-date with current practices.	B. Calvin	B. Calvin	03/22/13
6	With advice from counsel upon compliance review, updated for consistency with other Company policies.	J. Nichols and T. Fischer	B. Calvin	07/07/14
7	Update Compliance Officer information. This policy replaces the previous version HR019	M. Blake	H. Orvell	11/18/15
8	Annual review and adjustments to make the policy up-to-date with current practices.	M. Blake	Nom/Gov Committee	11/01/16