

CODE OF CONDUCT & ETHICS

CLINICAL AND CORPORATE STAFF

1. Aegis Medical Systems, Inc.; Aegis Institute, Inc.; Aegis Management Systems, Inc.; and Nationwide Medical Group, Inc., (hereinafter “Aegis”) has established a system-wide Code of Conduct & Ethics for all staff members, including employees, consultants and employees (hereinafter “staff members”). Aegis expects its staff members to hold the Aegis Mission and its corporate culture in the highest regard and pride themselves in applying the high ethical, clinical and regulatory standards that Aegis maintains. Aegis requires that all staff members pledge to follow the Aegis Mission Statement and adopt the following Code of Conduct & Ethics.

Aegis Mission Statement

- Improve patients’ quality of life through the treatment of their medical and mental conditions, as well as encourage necessary behavioral modifications and changes of lifestyle.
- Provide comprehensive evidence-based treatment services utilizing multidisciplinary modalities addressing the patients individual needs and cultural preferences.
- Adhere to the highest clinical and ethical standards in the provision of patient care.
- Pursue excellence, integrity and commitment in support of patients’ recovery efforts.

2. **Lawfulness:** Staff members in general and Clinicians in particular will obey and follow the law. They will not engage in “back dating”, fraudulent documentation, or other unlawful activity for which Aegis has a ZERO-tolerance policy. Such practices set a poor example for our patients, compromise their trust and respect, and ultimately put at risk their recovery.
3. **Personal Example:** Staff members in general and Clinicians in particular will set a personal example of professionalism, integrity and commitment to our patients, other staff members and the general public.
4. **Excellence:** Staff members will strive for excellence in the performance of their duties, whether clinical or administrative in nature. Mediocrity and indifference are counterproductive to the Aegis Mission and will not be tolerated. Each staff member will perform to the best of his or her ability in order to optimize individual contribution to patients and the organization.
5. **Accountability:** Staff members will adopt the principle of personal and collective accountability. While practicing professional and mature discretion, they will

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- acknowledge the consequences of their actions and those of other staff members. Furthermore, they will anticipate potential risks, consider human error, and take preventive measures.
- 6. Appealing Work Environment:** An aesthetically appealing work environment reflects the corporate work culture and influences staff members' self-esteem and patients' respect. Each staff member will be responsible for and take care of his or her immediate work area, as well as common and public areas.
 - 7. Self-Respect:** Staff members will conduct themselves with dignity and confidence, recognizing their value to the patients and the organization. They will leave their "egos" at home as they do not belong in the workplace. Furthermore, they will recognize that it is counterproductive to brag and act arrogantly or to become emotional or defensive. Such conduct may be offensive and destructive to relationships with other staff members as well as patients.
 - 8. Independent and Critical Thinking:** Staff members will participate in and support a work environment where differing opinions are welcomed and respected, not merely tolerated. Staff members holding divergent opinions should feel free to express themselves without fear of repercussion as long as they do so in a mature, responsible and constructive way.
 - 9. Solidarity & Collegiality:** Staff members will be supportive of one another as well as Aegis. They will complement and assist each other in the performance of responsibilities and duties, treat one another fairly and respectfully, and provide honest and professional advice. Staff members will acknowledge the contribution of other positions and professions within Aegis, as well as the significant value that is created by the synergy between the medical and behavioral health disciplines. They will abstain from and reject flattery, gossip and disparagement, as such behavior conflicts with Aegis' culture and sets a poor example for patients.
 - 10. Confidentiality:** Staff members in general and Clinicians in particular will comply with HIPAA, 42 CFR and State Title IX Regulations, acknowledging that any breach in patient confidentiality may have severe consequences and may represent a material liability to Aegis and its licenses. Clinicians will not discuss one patient with another patient, nor will they discuss a patient with the patient's family or any other third party without prior written consent of the patient (i.e., signed Form 1139) or approval of the General Counsel (in response to subpoenas and court orders).
 - 11. Confidentiality of Compensation:** The compensation of each employee is personal and confidential by its nature and shall not be disclosed or discussed with unrelated parties. Salary, wages and benefits are the primary ways for Aegis to reward its staff members for

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their contributions. Title, position and tenure within the company are only some of the factors that determine the compensation level of each employee. The overall direct and indirect contributions of the staff member to the organization are the predominant determinant of compensation. Amenities such as corporate vehicles, laptops, cell phones or travel will not be considered perks, as they are provided to facilitate job performance rather than to enhance social status.

- 12. Non-Disclosure of Trade Secrets and Intellectual Property:** Staff members will acknowledge that all Policies, Protocols & Procedures (hereinafter “P,P&Ps”), manuals, forms, publications, financial information and reports, rates and charges, patient census-related information, marketing, media, public relations, political work, contact information and all other employee-related information are confidential and the sole property of Aegis and/or its affiliates. Staff members will agree not to disclose any of the above-mentioned trade secrets and/or intellectual property to any third party (outside of staff members) without prior written approval of the General Counsel and/or the CEO.

Staff members will also refrain from assisting Aegis’ competitors by disclosing any above-mentioned confidential information or providing referrals, unless approved by the General Counsel or permitted by published P,P&Ps (e.g., “Courtesy Dose”).

- 13. Loyalty and Fiduciary Duty:** Staff members will acknowledge that their commitment and loyalty to Aegis and its affiliates (including Aegis Institute, Aegis Management Systems and Nationwide Medical Group) require them to meet productivity guidelines as related to their position, and to prevent any negligence, misconduct and/or breach of ethical, professional and regulatory standards.

Staff members will support Aegis beyond their job description and optimize their contribution to Aegis within their paid time. Such contributions could include activities that relate to Customer Service, Community Relations, Outreach, Public Relations and any other types of support for the performance of the clinic.

- 14. Protection of Aegis’ Tangible Assets:** In pursuance of their commitment to Aegis, staff members will protect Aegis’ tangible assets, including fixtures, furniture, equipment, supplies and inventory. Staff members will avoid and prevent waste of corporate resources, including misuse of corporate facilities, assets and utilities.

Staff members will be committed to avoiding and preventing any exposure of Aegis to liability due to risk, hazard or loss. They are expected to resolve and remove any obstruction and/or nuisance to staff members, patients or the general public. Staff members will practice prudent and professional application of P,P&Ps as well as use of equipment and supplies. Staff members will also be committed to following Cal/OSHA regulations and guidelines and expected to engage in education and training pertaining to preventive measures, maintenance and repairs.

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15. Reporting of Misconduct: Staff members who are aware of unlawful or unethical conduct or practices, as well as any breach of loyalty, fiduciary duty and/or unauthorized disclosure of confidential information, will report such violations to their superiors and to the General Counsel or Director of Quality Assurance.

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16. Result Orientation: Clinical staff (“Clinicians”) will be result- rather than process-oriented in the performance of their duties and responsibilities and will set as their first priority the goal of achieving positive clinical outcomes with their patients. Although regulatory and internal compliance is important, Clinicians will not substitute pure compliance for clinical results. They will not worry about appearances but will instead focus on their patients’ recovery and well-being.

17. Proficiency and Professional Competency: Clinicians will be proficient and current in their professional knowledge as they are required to maintain licensure and certification requirements in order to perform their tasks and responsibilities successfully. They will participate in ongoing training and Continuing Education, whether provided by Aegis or obtained upon their own initiative through third parties.

18. Humility: Clinicians will act humbly and prudently as it relates to the following:

- A. Realize that recovery is a difficult process** that cannot be completed by a “hit-and-run” approach. Aegis’ treatment modality is based on the “Harm Reduction” discipline rather than “Total Abstinence.” Through the implementation of this treatment modality patients are able to achieve better long-term results (compared with “Total Abstinence”) by maintaining multiple and frequent short-term goals and by addressing their addiction as well as other lifestyle aspects.
- B. Refrain from employing a punitive approach,** as it should be used as a “last resort” only. Aegis operates treatment centers and not correctional facilities; such an approach compromises the professionalism of both the Clinician and Aegis.
- C. Refrain from employing a judgmental approach,** as patients, rather than Clinicians, are in control of their recovery. Every patient is different and only the patient knows the feasible pace of his or her recovery. The Clinician is expected to recommend and redirect, not force an opinion on patients.
- D. Refrain from raising unrealistic expectations,** as this is not only unhelpful but also potentially damaging to the patient’s self-esteem and recovery efforts, especially as it relates to the setting of goals in the patient’s treatment plan.
- E. Refrain from misrepresentation:** Clinicians should not claim directly or by

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implication any qualifications, skills or affiliations that are untrue or misleading.

19. Professionalism is a critical element in the successful rendering of patient care as it relates to the following:

- Proficiency in the assessment and evaluation of patients
- Effectiveness of Treatment Planning
- Quality of patient care and other services
- Implementation of referrals to other practitioners and local community resources
- Employment of other support systems in recovery efforts

20. Curiosity About and Care for Patients: Clinicians will develop observation skills in the pursuit of truth and facts regarding their patients. Initial reservation and resistance are to be expected from some patients before they establish trust and rapport with their Clinicians. Clinicians may face other obstacles due to the patients' feelings of guilt and shame. They will attempt to overcome these obstacles while demonstrating professionalism, perseverance, commitment and ethical behavior.

21. Consistency and Dynamics: Clinicians will acknowledge that recovery is a long process and recognize the unique dynamics that occur with patients from the day of admission through the duration of treatment. They will reflect in their documentation all new relevant findings concerning the condition of their patients and update the treatment plans accordingly. Unless all information and documentation regarding an individual patient is consistent and evolving, Clinicians are unlikely to achieve success with their patients.

22. Individuality and Creativity: Clinicians will recognize the individuality of each patient and will develop treatment plans accordingly. Each case is different and therefore no two treatment plans should be identical. Clinicians will further be creative in the planning and prescription of services by taking into consideration different treatment modalities and external community resources.

23. Professional Integrity: Aegis treats a unique group of people who share both an addiction (most commonly to multiple substances) and similar lifestyles. They often experience day-to-day abuse by third parties and are accustomed to breaking the rules in order to maintain their lifestyles. Therefore it is essential that Clinicians conduct themselves professionally in order to obtain the trust and respect of their patients and achieve positive results. Obtaining the trust and respect of our patients relies on the following:

- A. Mutual Respect:** Clinicians will show respect and compassion to their patients regardless of the patient's race, creed, reproductive status, sex, disability, age, or sexual orientation.

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- B. Conflict of Interest:** The subject of treatment is the patient and not the staff member. Therefore “ego trips,” “power trips,” “power struggles,” favoritism, exchange of favors, or fraternization with patients is not permitted. Clinicians will not use their authority over patients in a coercive manner. Instead, they will help patients to empower themselves.
 - C. Separation from Personal Matters:** Clinicians who have successfully recovered from their own addictions will not rely on their personal experience or use themselves as an example for their patients. They will encourage change in the lives of patients in the sole interest of promoting the patients’ recovery. Clinician’s personal history and experience, including information about family, friends, other staff members, achievements, failures, frustrations, or self-disclosure on any such matter shall not be discussed or shared with patients, as it may compromise the professional relationship between Clinician and patient.
 - D. Personal Boundaries:** Clinicians will not enter into a professional relationship with any member of their own family, intimate friends, close associates and/or others whose welfare might be jeopardized by such a dual relationship.
 - E. Legitimate Exceptions:** Clinicians will treat all needy patients, with the exception of patients who will fare better without medication (e.g., Methadone) and should therefore be referred to other treatment modalities, such as Outpatient Drug Free (“ODF”). It is also important to avoid treating patients who pose a risk to themselves (e.g. untreated bipolar disorder sufferers), other patients or staff members. The best interests of Aegis staff members and other patients take precedence over the interest of any single patient. Furthermore, Aegis is not a general practitioner, nor are staff members trained or capable of treating every medical/mental disorder. Cases not covered by our Scope of Practice will be referred to other practitioners. Clinicians will be aware that treatment of such cases may compromise professional, ethical and regulatory standards.
- 24. Implementation:** Aegis Code of Conduct and Ethics shall be incorporated to include its Business Model, Marketing, Service Delivery, Professional Responsibilities, and Human Resources. The following efforts will include the following:
- A. The education of personnel and other stakeholders on Aegis’ Code of Conduct & Ethics shall be required.
 - B. Aegis Corporate Compliance Plan and Policy will be updated as necessary to ensure policies and written procedures exist to report waste, fraud, abuse, and other wrongdoing that includes no reprisal and a reasonable time to investigate a complaint.
 - C. The Ombudsman and PAAG will be maintained to ensure advocacy for all patients in care.
 - D. HIPAA Policies and Procedures exist to cover on contractual relationships. All vendors will be required to sign a business confidentiality agreement.
 - E. Demonstrated Corporate Citizenship.

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All business and marketing decisions and efforts are necessary to meet the needs of the patients, and other stakeholders (e.g. County, State, DEA, etc.) and will be enforced through Aegis' company culture and practices. By incorporating good ethics in our business and marketing, Aegis will ensure we gain the trust of our patients for delivering and promoting treatment that is honest, healthy and mainstream.

APPENDICES

Appendix I

10 Commandments: Staff members hereby acknowledge and endorse the enclosed Clinician's Ten Commandments.

Appendix II

Twelve Principles to Successful Caseload Management: Staff members hereby acknowledge and endorse the enclosed Twelve Principles to Successful Caseload Management.

Appendix III

The Patient's Bill of Rights and Responsibilities: Staff members hereby acknowledge and endorse the enclosed Patient's Bill of Right and Responsibilities.

Appendix IV

California Certified AOD Counselors - Uniform Code of Conduct: Staff members hereby acknowledge and endorse the enclosed Uniform Code of Conduct (effective September 1, 2009).