



## PRECIPPIO, INC.

### “OPEN DOOR” REPORTING AND NON-RETALIATION POLICY

Any individual may submit a good faith complaint or concern regarding accounting, internal accounting controls or auditing matters (“*Accounting and Auditing Matters*”) to Precipio, Inc., and employees of Precipio, Inc. or its subsidiaries (collectively, the “*Company*”) may make such reports confidentially without fear of dismissal or retaliation of any kind. The Company is committed to achieving compliance with all applicable securities laws and regulations, accounting standards, accounting controls and audit practices. The Audit Committee of the Company’s Board of Directors (the “*Audit Committee*”) will oversee treatment of complaints or concerns in this area.

In order to facilitate the reporting of complaints or concerns, the Audit Committee has established the following procedures for (1) the receipt, retention and treatment of complaints or concerns regarding Accounting and Auditing Matters, and (2) the confidential, anonymous (if requested by the employee) submission by employees of complaints or concerns regarding questionable Accounting and Auditing Matters.

#### RECEIPT OF COMPLAINTS OR CONCERNS

Employees and third parties are encouraged to report possible accounting and auditing complaints or concerns in a form that is as clear and specific as possible under the circumstances. All correspondence should be dated and include backup information.

Employees and third parties with complaints or concerns regarding Accounting and Auditing Matters should report their complaints or concerns to the Chairperson of the Audit Committee (the “*Audit Committee Chairperson*”). Reports can be made at any time, anonymously and confidentially, through any of the following processes:

*By mail to the Audit Committee Chairperson:*

Precipio, Inc.  
4 Science Park  
New Haven, CT 06511  
Attention: Audit Committee Chairperson

*Through the Ethics Hotline:*

U.S. employees may call: 1-844-703-8157

*By webform via the Ethics Hotline Webpage:*

Website: <http://www.precipio.ethicspoint.com>

An employee's identity will be kept confidential at all stages of the process (unless the employee chooses otherwise) and will not be disclosed to any persons, either within or outside of the Company, other than as may need to be disclosed to Company employees, officers or directors, and any third party investigative body, charged with investigating the complaint or concern, and as required by applicable law or regulatory body.

#### **SCOPE OF MATTERS COVERED BY THESE PROCEDURES**

These procedures only apply to complaints or concerns reported in good faith. Good faith is evident when the report is made without malice or consideration of personal benefit and the reporting individual has a reasonable basis to believe that the report is true; *provided, however*, that a report does not have to be proven to be true to be made in good faith. Good faith is lacking when the report is known to be malicious or false, fictitious, fraudulent or without a reasonable belief in the truth and accuracy of the reported information.

These procedures apply to complaints or concerns regarding questionable Accounting and Auditing Matters, including without limitation, the following:

- fraud or deliberate error in the preparation, evaluation, review or audit of any Company financial statement;
- fraud or deliberate error in the accounting of, or the recording and maintaining of, the Company's financial records;
- deficiencies in, or noncompliance with, the Company's internal accounting controls;
- misrepresentation or false statement to or by a Company employee or Company accountant/auditor regarding a matter contained in the Company's financial records, financial reports or audit reports;
- violations of state or federal securities laws, including, but not limited to, the Foreign Corrupt Practices Act, the Sarbanes-Oxley Act of 2002 (the "***Sarbanes-Oxley Act***"), the Dodd Frank Wall Street Reform and Consumer Protection Act of 2010 (the "***Dodd-Frank Act***"); and
- deviation from full and fair reporting of the Company's financial condition.

Complaints or concerns relating to harassment or discrimination, an employee's general working conditions or other matters should be reported and handled in accordance with the procedures and guidelines implemented by the Company as set forth in applicable employee policies and/or the Company's Code of Business Conduct and Ethics.

## TREATMENT OF COMPLAINTS OR CONCERNS

A reporting individual is neither required nor encouraged to personally investigate questionable Accounting and Auditing Matters on his or her own because of the potential that such a private investigation might compromise the Company's own investigation, result in the loss or tainting of evidence, or otherwise prevent a full and fair investigation into the underlying facts.

Upon receipt of a complaint or concern, the Audit Committee Chairperson will (i) determine whether the complaint or concern actually pertains to Accounting and Auditing Matters, and (ii) when possible, acknowledge receipt of the complaint or concern to the sender. The Audit Committee Chairperson may delegate this authority to another member of the Audit Committee, and each may consult with the Company's outside corporate counsel or such other advisors as the Audit Committee Chairperson or such other members determines to be appropriate.

Any complaint or concern received by the Company in accordance with the procedures set forth in this Policy will be forwarded in a confidential manner to the Audit Committee Chairperson as soon as reasonably practicable following receipt of such complaint or concern. In addition, any complaint or concern received outside of these procedures by management or any member of the Audit Committee, other than the Chairperson, should likewise be forwarded in a confidential manner to the Audit Committee Chairperson as soon as reasonably practicable following receipt of such complaint or concern.

Complaints or concerns relating to Accounting and Auditing Matters will be reviewed under Audit Committee direction and oversight by the Company's outside corporate counsel or such other persons, including any third party investigative parties, as the Audit Committee determines to be appropriate. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review. In performing the investigation, all persons involved, including any third party investigative parties, shall abide by all applicable privacy, data protection and similar laws. In any event, each complaint or concern relating to Accounting and Auditing Matters will be discussed at the next meeting of the Audit Committee.

Prompt and appropriate corrective action will be taken when and as warranted in the Audit Committee's judgment. The Audit Committee will report to the Company's Board of Directors not later than its next regularly scheduled meeting with respect to which the complaint or concern for which such investigation has been completed and, if applicable, any recommended corrective actions.

The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of employment based upon any lawful actions of such employee with respect to good faith reporting of complaints or concerns regarding Accounting and Auditing Matters or otherwise, as specified in Section 21F(h)(1) of the Securities Exchange Act of 1934, as amended (the "*Exchange Act*"), Section 806 of the Sarbanes-Oxley Act and Section 922 of the Dodd-Frank Act.

## **REPORTING AND RETENTION OF COMPLAINTS OR CONCERNS AND INVESTIGATIONS**

The Audit Committee Chairperson will maintain, or caused to be maintained, a log of all complaints or concerns, tracking their receipt, investigation and resolution and shall prepare, or cause to be prepared, a periodic summary report thereof for the Audit Committee.

Upon completion and resolution of any investigation, the complaint or concern and all information and documentation relating to the investigation shall promptly be archived by the Company, including in accordance with any applicable document retention policies. If the investigation results in legal proceedings, disciplinary measures or other similar courses of action, all information and documentation relating to the investigation shall be archived upon the conclusion of the proceedings (and any period for appeal, as applicable). Unsubstantiated complaints or concerns, or complaints or concerns without merit, shall be archived immediately.

## **COMPLIANCE WITH LAW**

These complaint procedures are intended to meet the requirements of Rule 10A-3(b)(3) under the Exchange Act. These procedures also comply with Section 301.4 of the Sarbanes-Oxley Act concerning procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters and the confidential, anonymous submission by our employees of concerns regarding questionable accounting or auditing matters directly to the Audit Committee. Further, these procedures comply with Section 922 of the Dodd-Frank Act pursuant to which the Securities and Exchange Commission (the “**SEC**”) has established a whistleblower program that pays awards, subject to certain limitations and conditions, to whistleblowers who voluntarily provide the SEC with original information about a violation of the securities laws that leads to a successful enforcement of an action brought by the SEC that results in monetary penalties exceeding \$1,000,000. In addition, this Policy establishes a mechanism for reporting acts of wrongdoing and keeping records of any complaints from the Company’s employees and third parties regarding such violations or concerns.

## **REVIEW**

These complaint procedures will be subject to the periodic review of the Audit Committee.

*Last Updated: April 10, 2019*