

HELIX BIOMEDIX, INC. WHISTLE BLOWING AND COMPLAINT POLICY

I. REPORTING VIOLATIONS

Employees should report suspected violations of laws, governmental rules and regulations, Helix's Code of Business Conduct, Helix's Code of Business Conduct and Company policies to Helix's CEO, CSO, or the Company Compliance Officer. This includes violations of the laws and rules that prohibit fraud in the reporting of Helix's financial performance. Employees are also encouraged to report any complaint or concern regarding Helix's accounting, internal controls or auditing matters. This includes complaints received from persons outside Helix.

Employees may alternatively report suspected violations, complaints or concerns anonymously to the company's Confidential Compliance E-Mail box at *complianceofficer@helixbiomedix.com*. Helix will promptly consider the information submitted to it and take appropriate action in accordance with the law, governmental rules and regulations, Helix's Code of Business Conduct, Helix's Code of Business Conduct and otherwise consistent with good business practice. The reports of suspected violations, complaints or concerns involving Helix's financial disclosure, accounting, internal accounting controls or auditing matters will be recorded in a log indicating the date of the report and the disposition thereof. This log will be retained for five years by Helix's Compliance Officer.

In the event an employee does not feel it is appropriate to speak to the CEO, CSO, or the Company Compliance Officer regarding a suspected violation of laws, rules regulations, Helix's Code of Business Conduct, Helix's Code of Business Conduct or company policies, or about a complaint or concern involving Helix's financial disclosure, accounting, internal accounting controls or auditing matters, the employee may report such matters to the Audit Committee of the Board of Directors in writing by sending a letter describing the circumstances surrounding the matter to the following address:

**Helix BioMedix, Inc.
22122 - 20th Avenue SE
Bothell, WA 98021
ATTN: Audit Committee Chair**

II. STATEMENT OF NON-RETALIATION

It can be a federal crime for someone to intentionally retaliate against any person who provides truthful information to a law enforcement official concerning a possible violation of any federal law. Moreover, Helix does not tolerate interference with or retaliation against an employee for:

A. providing information, causing information to be provided, or otherwise assisting in an investigation regarding any conduct which the employee reasonably believes constitutes a violation of laws, rules, regulations, Helix's Code of Business Conduct, Helix's Code of Business Conduct or company policies; or

A. providing information, causing information to be provided, or otherwise assisting in an investigation regarding any conduct which the employee reasonably believes constitutes a violation of laws, rules, regulations, Helix's Code of Business Conduct, Helix's Code of Ethics or company policies; or B. filing, causing to be filed, testifying in, participating in, or otherwise assisting in a proceeding filed or about to be filed relating to a violation of any law, rule or regulation.

B. filing, causing to be filed, testifying in, participating in, or otherwise assisting in a proceeding filed or about to be filed relating to a violation of any law, rule or regulation.

The prohibited forms of interference or retaliation include, but are not limited to, discharge, demotion, suspension, threats, harassment or any other manner of discrimination with respect to an employee's terms or conditions of employment.

III. STATEMENT OF CONFIDENTIALITY

Complaints under this policy will be kept confidential to the extent permitted by law and consistent with an effective investigation. In the course of an investigation, Helix may find it necessary to share information with others on a "need to know" basis.