

POLICY AND PROCEDURES FOR THE RECEIPT, RETENTION AND TREATMENT OF COMPLAINTS AND EMPLOYEE CONCERNS

The Audit Committee of ION Geophysical Corporation (the “Company”) has established the following policy and procedures for (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and (b) the confidential, anonymous submission by employees of the Company and its subsidiaries of concerns regarding questionable accounting or auditing matters, suspected violations of the Company’s Code of Ethics and other reports. The Audit Committee will oversee the investigation and resolution of reported complaints and concerns pursuant to this policy and have overall authority for the implementation of this policy.

Employees may forward reports of complaints or concerns, on a confidential, anonymous basis if desired, through either of the following means:

- Any ION employee may call the confidential toll-free Compliance Hotline at 1-866-873-4541. The call will be answered 24 hours a day/365 days a year by a trained third party communication specialist provided by a Hotline monitoring company. The specialist will ask the caller a series of questions to better understand the nature of the concern. The caller can choose to leave his or her name or elect to leave the report anonymously. No call-tracing or recording devices will be used.
- Any ION employee may also make a report by logging onto https://www.compliance-helpline.com/ION_Geophysical.jsp, which is a website maintained by the Hotline monitoring company.

Reports on the hotline or website are forwarded to the Company’s General Counsel and the Chairman of the Audit Committee of the Company’s Board of Directors. If an employee submits information through the phone or website hotline on a confidential, anonymous basis, in general the Company will not attempt to discover the employee’s identity except if required under applicable law or stock exchange rules.

Any employee or non-employee with a complaint about the Company’s accounting, internal controls or auditing matters may also submit a report detailing the complaint in writing directly to the Chairman of the Company’s Audit Committee. Any such report should be provided in writing and mailed to “Chairman of the Audit Committee,” c/o Corporate Secretary, ION Geophysical Corporation, 2105 CityWest Blvd., Suite 400, Houston, TX 77042-2839. Reports sent by mail will be reviewed by the Company’s Corporate Secretary and the Corporate Secretary will forward the report to the Chairman of the Audit Committee.

Handling Complaints or Concerns

Upon receipt of a complaint, concern or report, the General Counsel will determine the nature of the complaint and handle it as follows:

1. If the complaint or concern relates to accounting, internal accounting controls or auditing matters, (a) the Chairman of the Audit Committee will forward the complaint to all members of the Audit Committee and (b) the General Counsel will forward the complaint to the employee responsible for the Company’s internal auditing department (“Internal Auditor”).
2. All other complaints or concerns will be referred to the appropriate internal Company department for resolution, under the oversight of the General Counsel.

Report of an Accounting, Internal Control, Auditing or Material Compliance Issue

The Audit Committee will direct and oversee the investigation and resolution of any accounting, internal control or auditing issues reported, or any other reports raising a material compliance issue.

The Audit Committee may investigate any report using any means in its discretion, including utilizing outside legal or accounting resources. The Audit Committee may elect to allow the General Counsel to attempt to promptly and appropriately investigate on a preliminary basis and resolve any reported issue in cooperation with Company management, subject to the General Counsel regularly reporting the status of the matter to the Chairman of the Audit Committee and the Internal Auditor. Notwithstanding the foregoing, in no event will the General Counsel (or one of his designees) be involved in any aspect of the investigation and resolution of any accounting, internal control or auditing issues or other material compliance issues reported if the report alleges that he was involved in the matter.

If the General Counsel, based on a preliminary investigation, determines to recommend a formal investigation, he will promptly notify the Audit Committee or its Chairman and the Internal Auditor. The Audit Committee or its Chairman will then determine, in its or his judgment, whether a reasonable basis exists for commencing a formal investigation into the complaint. If the Audit Committee or its Chairman makes such a determination, then it or he shall instruct the General Counsel or another person or group chosen for this purpose ("Investigator") to proceed with a formal investigation. The Investigator shall oversee all such investigations under the authority of the Audit Committee. The Audit Committee shall have the authority to retain outside legal or accounting expertise in any investigation, as it deems necessary to conduct the investigation in accordance with its charter and this policy.

The Investigator will report to the Audit Committee in a timely manner all findings of fact, conclusions and proposed recommendations for remedial actions, if any. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review.

The Audit Committee, with the input of the Investigator and Company management, if requested, will determine any corrective action in response to a reported complaint or concern, as appropriate.

Results of Investigation

Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Audit Committee or Company management, as applicable.

Directors, officers and employees that are found to have violated any laws, governmental regulations or Company policies will face appropriate, case specific disciplinary action, which may include demotion or discharge. The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms or conditions of employment based upon any lawful actions of such employee with respect to good faith reporting of any complaints or concerns, or based upon any information or assistance the employee provides in good faith during an investigation of a complaint or concern of this nature.

The Company and the Audit Committee will protect, to the fullest extent possible, the confidentiality and anonymity of any employee submitting a complaint or concern regarding any of the foregoing matters, and of any employee involved in an investigation of a complaint or concern of this nature, subject to applicable law and stock exchange rules.

Reporting and Retention of Complaints and Investigations

The General Counsel will maintain a log of all complaints, tracking their receipt, investigation and resolution, and shall prepare a periodic summary report thereof for the Audit Committee and the Internal Auditor. Copies of complaints and such log will be maintained in accordance with the Company's Records Retention Policy.

Copies of all complaints will be provided to the Audit Committee upon request.

Approved: November 16, 2004

Revision 3: November 5, 2007