

Citizens Independent Bancorp, Inc.
Code of Conduct and Ethics

A. Scope

This Code of Conduct and Ethics applies to all Citizens Independent Bancorp, Inc and the Citizens Bank of Logan directors, officers, and employees. Such directors, officers and employees are referred to herein collectively as the “Covered Parties.” Citizens Independent Bancorp, Inc., and The Citizens Bank of Logan are referred to herein as “Citizens Bank.”

B. Purpose

Citizens Bank is proud of the values with which it conducts business and serves its community. It strives to uphold the highest levels of business ethics and personal integrity in all types of transactions. To this end, the Code of Business Conduct and Ethics serves to (1) emphasize Citizens Bank’s commitment to ethics and compliance with the law; (2) set forth basic standards of ethical and legal behavior; (3) provide reporting mechanisms for known or suspected ethical or legal violations; and (4) help prevent and detect wrongdoing.

Given the variety and complexity of ethical questions that may arise in Citizens Bank’s course of business, this Code of Business Conduct and Ethics serves only as a guide. Confronted with ethically ambiguous situations, the covered parties should remember the Citizens Bank’s commitment to the highest ethical standards and seek advice from supervisors, officers or other appropriate personnel to ensure that all actions they take on behalf of Citizens Bank honor this commitment. When in doubt each covered person should remember the following rule of thumb: Each employee should think whether they are willing to have any contemplated act appear the next day on the front page of the local paper – to be read by their spouses, children and friends – with the reporting done by an informed, critical reporter.

C. Ethical Standards

1. Conflicts of Interest

A Conflict of interest exists when a person’s private interest interferes in any way with the interest of Citizens Bank. A conflict can arise when a covered party takes actions or has interests that may make it difficult to perform his or her work for Citizens Bank objectively and effectively. Conflicts of interest may also arise when a covered party, or members of his or her family, receive improper personal benefits as a result of his or her position at Citizens Bank. Loans to covered parties or their families may create conflicts of interest. It is almost always a conflict of interest for a covered party to work simultaneously for a competitor, customer or supplier.

Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with your supervisor, or if the circumstances warrant, the President and CEO of Citizens bank. Any covered party who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor or other appropriate personnel. If you are uncomfortable with reporting on any unethical behavior to your immediate supervisor, or other management personnel, please refer to the bank’s whistle-blower policy and feel free to use that service for any reporting or questions that you may have.

All covered parties shall disclose any material transaction or relationship that reasonably could be expected to give rise to such a conflict to the Chair of the Audit Committee. No action may be taken on such a transaction unless it has been previously approved by the Audit

Committee. These covered parties should seek approval for any outside business interest (paid or unpaid), business ventures, partnerships or a direct or indirect financial interest which has the potential to be in conflict with their obligations as a covered party.

Covered parties should strive at all times to avoid not only actual conflicts of interest or any other improprieties, but also the appearance of impropriety or conflict of interest. It is not necessary to be in violation of any law or regulation for there to be an ethical violation.

2. Corporate Opportunities

Covered parties are prohibited from taking for themselves opportunities that are discovered through the use of corporate property, information or position without the consent of the Board of Directors. No covered party may use corporate property, information or position for improper personal gain, and no employee may compete with the company directly or indirectly. Covered parties owe a duty to the company to advance its legitimate interests whenever possible.

3. Fair Dealing

Covered Parties shall behave honestly and ethically at all times and with all people. They shall act in good faith and shall engage only in fair competition, by treating ethically competitors, suppliers, customers and colleagues. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited. No covered party should take unfair advantage of anyone through abuse of privileged information, misrepresentation of material facts, or any other similar practice.

The purpose of business entertainment and gifts in commercial setting is to create good will and sound working relationships, not unfair advantage. No gift or entertainment should ever be accepted by a covered party or any family member of a covered party unless it (1) is consistent with customary business practices, (2) is not excessive in value, (3) cannot be construed as a bribe or payoff and, (4) does not violate any laws or regulations. The offer or acceptance of cash gifts by any covered party is prohibited. Covered parties should discuss with their supervisors or other appropriate personnel any gifts or proposed gifts they think may be inappropriate.

4. Insider Trading

The policy of Citizens Bank on insider trading is dealt with in detail in its insider trading policy. It should be remembered that covered parties who have access to confidential information are not permitted to use or share that information for any purpose except that of Citizens Bank. All non-public information about Citizens Bank should be considered confidential. Material, non-public information about Citizens Bank should not be communicated or "tipped" to others.

5. Confidentiality

Covered parties must maintain the confidentiality of confidential information entrusted to them, except when disclosure is authorized by law or the appropriate bank officer. Confidential information includes all non-public information that might be used by competitors or is harmful to Citizens Bank or its customers. It also includes information that customers have entrusted to Citizens Bank. The obligation to preserve confidential information continues even after employment ends. Covered parties, who are also employees, will need to refer the Employee Handbook. If there are any conflicts, the Employee Handbook prevails.

6. Use of Company Assets

All covered parties are charged with protecting and efficiently using Citizens Bank's assets. Theft, carelessness and waste have a direct impact on Citizens Bank's profitability. Any suspicion of theft or fraud should be reported to the Security Officer immediately.

The obligation to protect assets includes proprietary information. Proprietary information includes, but is not limited to, trade secrets, trademarks, business plans, designs, databases, records, salary information, and any unpublished financial data and reports. Unauthorized use of this information violates policy. It could also be illegal and result in penalties.

7. Outside Activities

It is our business to help manage the financial affairs of others. To do this successfully the Bank must at all times merit and hold the absolute trust of its customers. We cannot merit this trust unless our own financial house is in order and above reproach. It is mandatory that each staff member exercise good judgment and proper care with all personal financial relationships.

Federal and State laws, and the Bank's policy explicitly forbids the making, directly, or indirectly, of any political contributions from corporate funds, assets, or services regardless of the amount or value involved. The Bank encourages the voluntary participation of covered parties in activities of the political party of their choice, elections, and other matters of civic importance. The Bank will be non-partisan in political matters. One must not give the impression that he or she speaks or acts for the bank in any political activity and one's political interests must not interfere with one's own work or the work of other staff members. Covered parties, who are also employees, will need to refer the Employee Handbook. If there are any conflicts, the Employee Handbook prevails.

8. Compliance with Laws

Obeying the law in letter and spirit is fundamental. In conducting business, Citizens Bank and all covered parties shall comply with all applicable governmental laws, rules and regulations at all government levels. Though covered parties are not expected to know the details of these laws, they are expected to know enough to be able to determine when to seek advice from supervisors or other appropriate personnel.

Covered parties should not solicit for themselves or for a third party (other than the bank itself) anything of value from anyone in return for any business, service, or confidential information of The

Citizens Bank and should not accept anything of value (other than bona fide salary, wages and fees referred to in 18 U.S.C. 215 (c)) from anyone in connection with the business of the bank, either before or after a transaction is discussed or consummated.

Exceptions can be made from accepting gifts for de minimus transactions such as reasonably priced meals where bona fide business transactions are discussed, or accepting promotional items such as reasonably priced pens, pencils or notepads.

9. Public Disclosures

In reports and documents filed with the FDIC or Ohio Department of Financial Institutions or the Federal Reserve or the SEC or other regulators and in public communications made by The Citizens Bank, covered parties involved in the preparation of such documents shall make disclosures that are full, fair, accurate, timely, and understandable. Covered parties shall not knowingly conceal or falsify information, misrepresent material facts or omit material facts necessary to avoid misleading The Citizens Bank's independent public auditors or investors.

10. Accounting Deficiencies

The Covered Parties shall promptly bring to the attention of the Audit Committee any information he or she may have concerning (a) significant deficiencies in the design or operation of internal control over financial reporting which could adversely affect the Citizens Bank's ability to record or report financial data or (b) any fraud whether or not material, that involves management or other employees that have a significant role in financial reporting.

D. Waivers

Any waiver of the code for Covered Parties may be made only by the Board of Directors or the Audit Committee.

E. Violations

1. Reporting Violations

The Covered Parties shall promptly report any known or suspected violations of the code to the Audit Committee. All other covered parties shall talk to supervisors or other appropriate personnel about known or suspected unethical or illegal behavior. No retaliatory action of any kind will be permitted against anyone making such a report in good faith, and the Audit Committee will strictly enforce this provision.

2. Accountability

If the Audit Committee or Board of Directors determines this Code has been violated, the offending covered party may be disciplined for non-compliance with penalties up to and including dismissal or removal. Violations of this Code may also constitute violations of law. All covered parties are expected to fully cooperate in internal investigations of misconduct. All violations of this policy shall be reported to the full Board of Directors at its monthly meeting.

F. Procedures

We must all work together to ensure compliance with this Code. Because we cannot anticipate every situation, it is important to consistently approach each question or problem. These are the steps to keep in mind.

- Make sure you have all of the facts
- Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper?
- Clarify your responsibility. It may help to get others involved and discuss the problem.
- Discuss the problem with your supervisor.
- In the rare case where you feel uncomfortable discussing the issue with your supervisor, or where you believe the supervisor has given an inappropriate answer, you should discuss it with the CEO, HR Director, or other senior officer.
- You may report ethical violations without fear of retaliation.
- If you are unsure of any situation, then seek guidance before you act.

The Human Resources Department is responsible for ongoing review and development of the Code. The internal audit department shall make at least an annual review of the policy and procedures from the preceding year and report to the Audit Committee as one of its audit units.

Upon hiring, and annually as the policy is approved, every covered party must complete the Code of Conduct and Ethics declaration, to show that they understand the principles of the Code, confirm that they have complied with them in the previous 12 months and agree to comply with them going forward.