

The Citizens Bank / Citizens Independent Bancorp Inc.
Whistleblower Policy February 2017

The Citizens Bank / Citizens Independent Bancorp Inc. referred to as “The Company” in this document, has adopted this policy to encourage employees to report possible violations of law, including the securities laws, accounting irregularities and other suspected wrongdoing, including their own. The goal of this policy is to discourage illegal activity and business conduct that damages the Company’s good name, franchise, business interests, and its relationships with shareholders, customers and the community at large. While the bank does not encourage frivolous complaints, it does want any director, officer, employee, or representative of the bank who knows of a harmful violation or potentially harmful violation to report it. A harmful violation includes the following:

1. Violations of law, including any rule of securities and exchange commission, federal laws related to fraud against the company’s shareholders, and the laws and regulations of any jurisdiction in which the company operates;
2. Violation of the company’s policies and statutory or other requirements for good corporate governance;
3. Improper accounting entries, violations of internal accounting controls or improper auditing matters;
4. Any other matter, which in the good faith belief of any affected person, could cause harm to the business or public position of the company;
5. Any attempt to conceal a potential harmful violation or evidence of a potential harmful violation; or
6. Any retaliation for any report, complaint, allegation or other disclosure made pursuant to this policy.

1. General Policy

Any affected person who, in good faith, makes a disclosure pursuant to this policy with respect to a harmful violation or potential harmful violation is referred to as a “Whistleblower” and is protected from any retaliation by the company. “Good Faith” means that the employee has a reasonably held belief that the disclosure made by the affected person is true and has not been made either for personal gain or for any ulterior motive.

The bank notes that Section 1107 of the Sarbanes-Oxley Act of 2002 provides certain legal protection to whistleblowers. Under Section 1107, any person who knowingly, with intent to retaliate, takes any action harmful to any person, including interference with the lawful employment or livelihood of any person, for providing a law enforcement officer any truthful information relating to the commission or possible commission of any Federal offense, shall be fined under this title or imprisoned not more than 10 years, or both.

2. Purpose of the Policy

The company has adopted this policy in order to:

- (a.) Cause harmful violations to be disclosed before they can disrupt the business or operations of the company, or lead to serious loss,
- (b.) Promote a climate of accountability with respect to the company resources, including its employees, and
- (c.) Ensure that no affected person should feel at a disadvantage in raising legitimate concerns.

This policy provides a means whereby affected persons can safely raise, internally and at a high level, serious concerns and disclose information that the affected person believes in good faith could cause a harmful violation. This policy does not apply to all grievances, such as those related to terms of employment or those concerns that are addressed by the company's policies on anti-discrimination or sexual harassment.

3. Affected Persons Protected

This policy and the related procedures offer protection from retaliation to affected persons, who make any disclosure with respect to matters that are, or could give rise to, harmful violations, provided the disclosure is made:

- In good Faith;
- In the reasonable belief of the individual making the disclosure that the conduct or matter covered by the disclosure could give rise to a harmful violation, and
- Pursuant to the procedures contained in Section 6 below.

No complaint that satisfies these conditions shall result in any retaliation or threat of retaliation against the complainant by the company or any director, officer, employee, contractor, subcontractor, or representative of the bank. Any acts of retaliation against a "whistleblower" shall be treated by the company as a serious violation of company policy and could result in discharge.

4. Confidentiality of Disclosure

The company will treat all disclosures by Whistleblowers as confidential and privileged to the fullest extent permitted by law. The company will exercise particular care to keep confidential the identity of any affected person making a disclosure under this procedure until a formal investigation is launched. Thereafter, the identity of the affected person making the disclosure may be kept confidential, if requested, unless such confidentiality is incompatible with a fair investigation, unless there is an overriding reason for identifying or otherwise disclosing the identity of the Whistleblower or unless such disclosure is required by law. In this instance, the affected person making the disclosure will be

informed in advance of his or her being identified with the disclosure. Where disciplinary proceedings are invoked against any individual following a disclosure under this procedure, the company will normally require the name of the person making the disclosure to be disclosed to the person subject to such proceedings.

The company encourages individuals to put their name to any disclosure they make, but any affected person may also make anonymous disclosure. In responding to an anonymous disclosure, the bank will pay due regard to fairness to any individual named in the disclosure, the seriousness of the issue raised, the credibility of the information or allegations in the disclosure and the prospects of an effective investigation and discovery of evidence.

Investigations will be conducted as quickly as possible, taking into account the nature and complexity of the disclosure and the issues raised therein.

5. Unsubstantiated Allegations

If an affected person makes a disclosure in good faith pursuant to this policy and any facts alleged are not confirmed by subsequent investigation, no action will be taken against the Whistleblower. In making a disclosure, all individuals should exercise due care to ensure the accuracy of the information disclosed.

6. Procedures

A whistleblower hotline service "In Touch" is provided to all directors, officers, and employees. In Touch, the third party vendor, services a toll free number with a live operator system, the caller will speak with a skilled call specialist. The caller has the option to remain anonymous or provide their name. The disclosure will be routed to the Chairman of The Board of Directors and a designated director, appointed by the Chairman on an annual rotating basis, for review through a web portal. In the event in which a director is mentioned, the disclosure will be routed to the Bank's current General Counsel member. All disclosures are confidential and will be investigated, documented and when applicable, appropriate action will be executed.

Acknowledgement Form

I, the undersigned, hereby state that I have read and fully understand, and will comply with the Whistle Blower policy.

DATE: _____

EMPLOYEE SIGNATURE

EMPLOYEE NAME (PRINT)