CODE OF CONDUCT AND CONFLICT OF INTEREST POLICY
APPLICABLE TO DIRECTORS, EXECUTIVE OFFICERS, STAFF AND AGENTS

Purpose

The Code of Conduct and Conflict of Interest Policy the "Code" reaffirms West Coast Community Bancorp and West Coast Community Bank's (the "Company") basic policies of ethical conduct for directors, executive officers, staff and agents of the Company. The foundation of our Code consists of basic standards of business as well as personal conduct:

- Honesty and candor in our activities, including observance of the spirit, as well as the letter of the law.
- Avoidance of conflicts between personal interests and the interests of the Company, or even the appearance of such conflicts.
- Respecting and safeguarding the confidentiality and accuracy of information obtained in the course of business.
- Maintenance of our reputation and avoidance of activities which might reflect adversely on the Company.
- Upholding high standards of integrity in dealing with the Company's assets and records.
- Observance of all applicable laws and regulations.

It is the policy of the Company to fully comply with the spirit and intent of all applicable laws and regulations. The Company expects its employees to use good judgment and high ethical standards and to refrain from illegal, dishonest or unethical conduct.

Definition and Scope

The terms "employee" or "employees" as used in this policy statement include all directors, officers, employees, attorneys and agents of the Company. Additionally, "insiders" (directors, officers and principal shareholders) are also subject to related additional provisions contained in the Company's Loan Policy. See that document for details.

<u>Administration of the code of conduct</u>

It is the responsibility of each employee to be familiar with the Company's Code of Conduct and Conflict of Interest Policy. Supervisors are expected to make every reasonable effort to ensure that their subordinate employees continue to comply with the provisions of the Code.

Senior management shall administer the Code, determine matters of interpretation and coordinate periodic changes to the Code.

Employees are encouraged to seek the advice of the appropriate supervisor or Director of Human Resources regarding questions of interpretation and of the applicability of the provisions of the Code to a particular situation.

All employees shall sign a written acknowledgment of receipt of a copy of the Company's Code and of any subsequent changes thereto.

Staff members who violate the provisions of the Code may be subject to dismissal.

Objective

The Company has established this policy to assist its employees in understanding and carrying out this mandate for honesty, integrity and high standards of conduct:

- A Company's reputation for integrity is its most valuable asset and is determined by the conduct of its employees.
- Each employee must manage his/her personal and business affairs so as to avoid situations that might lead to a conflict or even suspicion of a conflict between self-interest and duty to the Company, its clients and its shareholders.
- No Company position must ever be used, directly or indirectly, for private gain, to advance personal interests or to obtain favors or benefits for an employee, a member of his/her family or any other person.

Conflicts of Interest

General

The primary principle underlying conflicts of interest is that employees must never permit their personal interests to conflict or appear to conflict with the interests of the Company or its clients. Even the appearance of a conflict between personal gain and the interests of the Company erodes the trust and confidence on which our reputation rests. An employee should not represent the Company in any transaction where he or she has any material connection or significant financial interest. Examples of material connections would include relatives or close personal friends, whether the transaction involves them as individuals or as principals in a firm doing business with the Company.

Examples of a significant financial interest would include the employee's involvement as proprietor, partner, investor or joint venture in a firm doing business with the Company. It would also include a situation where the employee has a large enough investment in a corporation - especially a small corporation - to permit them to influence the corporation's policies and decisions. The employee should avoid transactions involving any of the above circumstances, for otherwise a conflict of interest would exist. And, by "transactions," we are not only referring to authorizing and making loans, but also about such things as approval of overdrafts; authorizing or accepting checks on uncollected funds; waiving of late charges, overdraft charges or other normal fees; and waiving of financial statements or collateral documents.

Hospitality to public officials

Acts of hospitality toward public officials should never be on such a scale or of such a nature as might tend to compromise or give the impression of compromising the integrity or the reputation of either the public official or the Company. When appropriate hospitality is extended, it should be with the expectation that it will become a matter of public knowledge.

Dealing with suppliers

Employees must award orders, contracts and commitments to suppliers of goods or services without favoritism. Particular diligence in this regard must be exercised when a director of the Company is also a supplier to the Company. Company business with suppliers must be conducted strictly on the basis of merit and, whenever appropriate and feasible, competitive bidding. Utilizing Company clients for goods and services is not considered favoritism but good business practice.

Fair competition

Under no circumstances should employees enter into arrangements or agreements with competitors. This includes such matters as (1) pricing, (2) marketing policies and strategies and (3) official management interlocks with non-affiliates. In the pricing area in particular, discussions with competitors about future pricing plans are strictly forbidden.

Giving advice to clients

Employees may occasionally be asked by clients to comment upon the legality of a particular transaction. Since the Company cannot practice law or give legal or tax advice, employees must exercise care in discussing transactions with clients and nothing should be said that might be interpreted as the giving of legal or tax advice.

Loans to directors, executive officers and their related interests

Federal regulations impose certain restrictions on loans by the Company to directors, principal shareholders and executive officers of the Company. The limitations also extend to those companies or entities in which a director or executive officer has an ownership or controlling interest, called a "related interest." Federal regulations also impose certain restrictions on loans by the Company to principal shareholders and their related interests. In addition to certain monetary limitations, federal regulations provide that loans to executive officers, directors and principal shareholders must be made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for compatible transactions with other persons who are not employed by the Company and which do not involve more than the normal risk of repayment or present other unfavorable features. Both federal and state regulations provide that, except for loans that fall below a certain monetary limit or that are for approved purpose, loans to executive officers, principal shareholders, directors and their related interests must be approved by the board of directors with the director or officers with the related interests abstaining from the vote. This abstaining also includes leaving the room during the discussion and vote on the loan approval.

Loans to other officers and employees

Company employees, other than those noted in the section above, are eligible to borrow from the Company, subject to any special rules noted in the Loan Policy.

With the exception of preferential loans by executive officers from correspondent Companys, neither Company policy nor Federal Reserve regulation restricts employee borrowing relationships with other institutions.

However, each employee is expected to maintain his or her financial affairs in a satisfactory manner, and to manage debts in relation to income and net worth.

Self-Dealing or trading on one's position

Employees are prohibited from self-dealing or otherwise trading on their positions with the Company. Employees are also prohibited from accepting business opportunities from an individual or company doing or seeking to do business with the Company when that business opportunity is not available to other persons or that is made available because of such official position with the Company. The Company requires disclosure of all potential conflicts of interest, including those in which employees have been inadvertently placed due to either business or personal relationships with clients, suppliers, business associates or competitors of the Company.

Service with outside organizations for profit

An employee must never become a director or an official of a business organized for profit without first obtaining a written statement from the Chief Executive Officer stating there is no objection to such service. The request will then be reviewed for final approval by the board of directors to determine whether any conflicts of interest exist or appear to exist. Any fees earned by a staff member for service on an outside commercial board in which the Company has no equity interest may be retained by the individual. Regarding employment outside the Company, employees should not allow the outside employment to interfere with their job performance or require such long hours as to affect their physical or mental effectiveness. An employee is expected to devote full attention to the Company's interest during regular hours of employment. All outside employment must be reported to and approved by the Director of Human Resources, and the Company reserves the right not to approve any outside employment which could be detrimental to the Company's image.

Involvement in civic, trade, educational, charitable and fraternal affairs

An employee will not accept a position as a director or an official of a non-profit without first obtaining a written statement from Human Resources stating there is no objection to such service. The Company encourages employees to participate in civic and charitable activities. For business reasons, it is sometimes desirable to have employees of the Company become active members of not-for-profit organizations. Employees choosing to participate in civic, charitable, political and professional association activities are responsible for seeing that such participation does not result in any actual or apparent conflict of interest, encroach upon working time or otherwise interfere with regular duties. If an employee has any question in this regard, he or she should discuss the matter with the Director of Human Resources.

Political contributions

It is the policy of the Company to strictly comply with all applicable federal and state political campaign laws. Under federal law, financial institutions are subject to certain restrictions regarding contributions or expenditures in connection with any federal or state election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for political office.

In accordance with applicable law, no staff member shall make any direct or indirect contribution of funds or other property of the Company in connection with the election of a candidate to any federal or political office. For these purposes, use of the corporate facilities and equipment for political activities is deemed to be a contribution.

The Company's policy regarding corporate political contributions is not intended to discourage employees from making personal contributions to candidates or political parties of their choice. The

Company or the employee's employment with the Company should not be a part of the personal contribution.

Personal fiduciary appointments

Employees must not accept personal fiduciary appointments without first securing written approval from the board of directors, unless such appointments result from close family relationships.

Personal fees and commissions

No employee may accept personal fees or commissions from any person or entity other than the Company in connection with any transactions on behalf of the Company.

Work relationships

No employee shall give or receive any special considerations to the conditions of employment of another employee due to family or personal relationships between the two. Just as external business decisions are based on sound, ethical business practices, all personnel decisions must be based on sound management practices.

Securities underwriter

No staff member may become an officer, director or employee of any securities underwriting corporation. It is prohibited by 12 USC 78.

Confidentiality

General

Confidentiality is a fundamental principle of the financial services business. The principle is equally applicable to non-public information concerning the Company and to similar information received by the Company from a client or supplier for a business purpose. The principle applies with equal force to both informal and formal communications.

Confidential information concerning the Company

Employees must not divulge any non-public information regarding the Company to any outsider except for a legitimate business purpose of the Company. When it is given, it must be with the understanding that the information is confidential and is to be used solely for the limited business purpose for which it was given and received.

Financial or other information regarding the Company is not to be released to any outside person or organization unless it has been published in reports to shareholders, or otherwise made available to the public through authorized news releases. All news media inquiries must be referred to the Director of Marketing or the Company's CEO. The Company expects every employee to treat information concerning the Company and its personnel with the same confidentiality as information concerning clients of the Company.

The disclosure of "material inside information" subjects staff members, the Company and third parties to whom the information is communicated to severe penalties under federal and state securities laws. Information is "material" when there is a significant likelihood that a reasonable investor would think the information is important in making an investment decision. Information is "inside" when it has not been disseminated to the public at large. Any staff member possessing such material inside information must not trade in or recommend the purchase or sale of the securities involved until the information is actually disseminated to the public. See the Company's Insider Trading Policy for more information.

Dealing with auditors, examiners and legal counsel

All employees are to respond honestly and candidly when dealing with the Company's independent and internal auditors, regulators and attorneys. However, disclosure of information to other external authorities, including law enforcement officials, must be performed in accordance to laws, regulations and court orders.

Confidentiality and safeguarding of client records and credit files

Safeguarding the confidential financial information concerning the Company's clients is essential in maintaining the public trust. It is the policy of the Company that such confidential information acquired by a staff member through his or her employment must be held in the strictest confidence. Such information is to be held for Company purposes and not as a basis for personal gain by any staff member. Aside from routine credit inquiries, information regarding a client may generally only be released to private persons, organizations or governmental bodies that request it with the consent of the client involved or upon receipt of legal process, such as a subpoena or court order. Confidential client information should never be discussed with anyone outside the Company, and only with those within the Company who have a legitimate business need to know. Confidential client information should never be discussed in public places, even within the Company's offices. Staff members should be sensitive to the risk of inadvertent disclosure resulting from open doors, speaker phones, cellular phones and when transmitting confidential information by fax or other electronic media.

Financial and personal information about clients is entitled to the same respect and care as funds or physical property. To protect the privacy rights of its clients, the Company will:

- Collect and maintain only that information which is specifically necessary to serve client accounts properly and render fair credit judgment.
- Maintain in a secure manner all files and recordkeeping systems which contain information on clients in accordance with the Guidelines for Establishing Standards for Safeguarding Client Information.
- Divulge no personal or credit information to third parties except with proper client authorization, or pursuant to proper legal process or regulation, or for purposes of extension of credit by other lenders.
- In the event of subpoena or other legal process requiring the organization to disclose client information the following procedures will be implemented:
    - Notify clients as promptly as possible of the request.
    - Make full use of the maximum legal waiting period before honoring the subpoena or other process, which will give the client the opportunity to take any available legal recourse.
    - Refuse to permit inspection of files not directly requested by legal document. Only information specifically required will be released. Access to files not specified will not be permitted.
        - NOTE: Refer to the Company's Privacy of Consumer Information Policy for further policy guidelines.
- Instruct all employees with access to such files and information about these privacy provisions. Ensure access to such files and information is restricted and meets Privacy and Safeguarding laws and regulations.

Internally, such information should be utilized only for the business purpose for which it was given and restricted within the Company to those who need to know.

Requests by regulatory or governmental agencies

Requests by regulatory or governmental agencies for information other than that required for Company examinations and required reports should be referred to the Chief Risk Officer or Director of Compliance. In no event shall such information be disclosed without proper legal authorization in the form of subpoena or other court order.

Privacy

In order to assure access at all times to Company property, and because employees may not always be available to produce various documents, records, files or other items in their possession in the ordinary course of business, the Company reserves the right to conduct a routine inspection or search of the Company's premises at any time, without the consent of the employee.

The Company's premises include all locations owned or leased by the Company or under the control of the Company, including office space, parking lots, closets and storage areas. Company property includes all tangible and intangible personal property of the Company, including, without limitation, all furniture, equipment, file cabinets, computer hardware and software, licenses and copyrights. The foregoing includes all communications and transmissions of any kind, including all information stored on any hardware, software, electronic disk, voice mail, e-mail and all other electronic communication media.

Routine searches and inspections may include an employee's office, desk, file cabinets, closet, computer files, whether contained on a hard drive or disk, including past and present e-mail communications and similar places where Company property may be located, whether or not such places are locked.

Employees are prohibited from using log in ID or passwords of another employee to gain access to that individual's e-mail, voice mail or other systems.

Employees are prohibited from using the Company's information systems in any way that might be considered disruptive or offensive to others, including clients and vendors. Personal or inappropriate use of the Company's information systems may result in disciplinary action, up to and including termination. Inappropriate transmission includes, but is not limited to, sexually explicit messages, offensive language and ethnic, racial and gender-specific slurs.

E-mail/Internet

The Company promotes the use of advanced technology and provides employees with access to e-mail, instant messaging and the Internet (collectively, "on-line services").

The Company reserves the right to review all electronic files and messages and to monitor usage to the extent necessary to ensure that on-line services are used in compliance with the law and with the Company's policies. Employees must provide reasonable assistance to the Company if so requested as part of such monitoring.

Employees must respect the confidentiality of all on-line service communications and may not read, revise or monitor the communications of other employees or third parties, including clients, except with the approval of management. However, as stated above, employees must recognize that their own usage of on-line services is subject to review by the Company and, therefore, is not confidential as to management.

All messages and information sent by an employee to others, including clients, via on-line services may reflect on the Company. Employees are prohibited from using the Company's on-line services in any way that might be considered disruptive or offensive to others, including clients and vendors. Inappropriate transmission includes, but is not limited to, sexually explicit messages, offensive language and ethnic, racial and gender-specific slurs. Any employee who abuses the privilege of access to and use of on-line services may be subject to disciplinary action, up to and including termination. Refer to the Company's Email and Internet Usage, and Acceptable Use Policies for further guidance.

Maintenance of our Reputation

Bribes and preferential treatment

In accordance with applicable laws and regulations, employees, officers, directors and agents or attorneys are prohibited from soliciting for themselves or for a third party (other than the Company itself) anything of value from anyone in return for any business service or confidential information of the Company and accepting anything of value (other than *bona fide* salary, wages, fees or other compensation paid by the Company in the usual course of business) from anyone in connection with the business of the Company, whether before or after a transaction is discussed or consummated. Insiders and their families will also be excluded from involvement in the design and construction of new or existing Company facilities in order to avoid conflict between management and board members in the event problems arise with the service being provided. All gifts received or offered, other than the exceptions listed below, should be disclosed in writing immediately to employee's supervisor and to the Director of Human Resources. The exceptions are:

- If the benefit is available to the general public under the same conditions that it is available to the Company employee.
- Acceptances of gifts, gratuities, amenities or favors based on obvious family or personal relationships (such as those with the parents, children or spouse of a Company official) when the circumstances make it clear that it is those relationships, rather than the business of the Company, which are the motivating factors.
- Acceptance of meals, refreshments, travel arrangements or accommodations or entertainment in the course of a meeting or other occasion, the purpose of which is to hold *bona fide* business discussions or to foster better business relations, provided that the expense would be paid for by the Company as a reasonable business expense if not paid for by another party. The maximum aggregate value, applicable to services or benefits accepted from one source by the employee is $200.00. Individual limits are as follows:
    - Meals and refreshments $75 or less Airplane Travel $ none
    - Other travel $75 or less
    - Entertainment $ 75 or less

- Acceptance of loans from other Companies or financial institutions on customary terms to finance proper and usual activities of Company officials, such as home mortgage loans, except where prohibited by law.
- Acceptance of advertising or promotional material of minimal value such as pens, pencils, note pads, key chains, calendars and similar items.
- Acceptance of discounts or rebates on merchandise or services that do not exceed those available to other clients.

- Acceptance of gifts not to exceed $200 in value that are related to commonly recognized events or occasions, such as a promotion, wedding, graduation, Christmas, bar or bat mitzvah, etc.
- Acceptance of civic, charitable, educational or religious organizational awards for recognition of service and accomplishment. The monetary value of such awards should not exceed $200.

If violations of these bribery and preferential treatment provisions occur, appropriate action will be taken immediately. Depending upon the severity and circumstances of the violation, such action could range from requiring that reimbursement be made to the giving party up to termination of the employee involved in the violation. Employees must submit documentation of the nature and value of all gifts and other consideration or remuneration over $200 in value that are received in conjunction with or related to Company business. This documentation will be maintained in the employees' permanent file and a copy to the Compliance Officer.

The penalties for violations of the Company Bribery Act will be enforced.

It is important to recognize that federal law makes it a crime for any officer, director or employee of a federally insured Company, directly or indirectly, to ask, solicit, accept, receive or agree to receive anything of value, for himself or for any other person or entity, for or in connection with any transaction or business of the Company. Until recently, this federal law only applied to bribes to procure or attempt to procure a loan. However, amendments to this federal bribery statute eliminate the necessity of showing that the staff member received the payment in exchange for making a loan. The penalty for violating this law is a fine, imprisonment or both. Any offer of such an improper payment should be immediately reported to the staff member's supervisor and the Director of Human Resources.

Personal investments

Employees are free to invest in stocks, bonds and other securities at their discretion, but they must always comply with applicable laws and regulations. Speculation or excessive borrowing and gambling are not consistent with the prudent management of personal affairs expected of a Company employee. Staff members must never make changes in their personal investment portfolios on the basis of confidential information relating to the Company or its clients.

Dealing with the Assets and Records of the Company

Proper accounting

The Company has established and will maintain internal accounting controls and record keeping policies in order to meet both the legal and the business requirements of the Company. Employees are expected to maintain and adhere to these controls and policies. The accounting records of the Company must be complete, accurate and in reasonable detail. Such records include books of original entry and other financial information used for internal management decision-making and external reporting. The underlying transactions must be properly authorized and recorded on a timely basis, using the accrual method of accounting, in order to permit preparation of financial statements in accordance with generally accepted accounting principles and they must at all times maintain accountability of assets. No fund or asset that is not fully and properly recorded on the Company's books is permitted. In addition, it is unlawful to falsify any book, record or account which reflects transactions of the Company or dispositions of the Company assets. Employees should be certain that all transactions with other persons are properly documented and recorded to avoid any possible allegation that the Company was assisting such persons in improperly recording or detailing the nature of the transactions involved. In addition, employees will adhere to the Currency Transaction Reporting practices as required by federal law. All employees of the Company who are authorized to incur business expenses are responsible for the accurate and timely reporting of such expenses. All expenditures must be in accordance with the Company's established accounting procedures and related policies.

Proprietary information, products, services and other property

All staff members are expected to protect the Company's ownership of property, including information, products and services. The misuse or removal from Company facilities of the Company's furnishings, equipment, and supplies is prohibited, unless specifically authorized. This applies equally to other property created, obtained or copied by the Company for its exclusive use - such as client lists, files, reference materials and reports, computer software, data processing systems and databases. Both originals and copies may be removed from the Company's premises only pursuant to Company business to which such materials relate. All such materials will be promptly returned to the Company when the immediate purpose for which they were removed has been addressed. No such materials will be maintained or stored outside of the Company beyond the time of its use, as described above, unless under the Company's official control. It should be noted that the Company maintains certain reference materials (bylaws, minutes, policies etc.) in a secure website for the use of employees. Directors of the Company in possession of any counterparts of these reference materials should promptly return them to the Company.

Pre-employment screening

The Company will use a third-party background screening service and a risk-focused approach to determine when the level of screening should be increased based upon the position and responsibilities of a new employee candidate. Additionally, when appropriate, contractors are to be subject to similar screening procedures. Additional information regarding pre-employment screening can be found in our Employee Handbook.

Anti-harassment, non-discrimination and policy against retaliation

The Company is committed to providing a work environment free of harassment, disrespectful or other unprofessional conduct. Company policy prohibits conduct that is disrespectful, unprofessional as well as harassment based on sex (including pregnancy, childbirth, breastfeeding or related medical conditions), race (including traits historically associated with race, such as hair styles and textures), religion (all aspects of religious beliefs, observance or practice, including religious dress and grooming practices), color, gender, gender identity, gender expression, transgender status, national origin (including immigration and/or citizenship status), ancestry, physical or mental disability, medical condition, genetic information, marital status, registered domestic partner status, age, sexual orientation, political activities/affiliations, military or veteran status, equal pay/compensation or any other basis protected by federal, state or local law or ordinance or regulation. All such conduct violates Company policy. The Company's anti-harassment non-discrimination policy applies to all persons involved in the operation of the Company, including unpaid interns, volunteers and persons providing services pursuant to a contract, and prohibits harassment, disrespectful or unprofessional conduct by any employee of the Company, including supervisors and managers, as well as vendors, clients, independent contractors and any other persons. It also prohibits harassment, disrespectful or unprofessional conduct based on the perception that anyone belongs to any of the above protected categories or is associated with a person who belongs to or is perceived as belonging to any of the above protected categories.

Conduct prohibited by this policy may have occurred even if an employee has not lost their job or some other economic benefit. However, only harassment and/or discrimination that unreasonably interferes with an employee's work performance or creates an intimidating, hostile or offensive work environment is unlawful. Prohibited harassment and/or discrimination will not be tolerated, whether or not it rises to the level of unlawful conduct.

Prohibited harassment, disrespectful or unprofessional conduct includes, but is not limited to, the following behavior:

- Verbal conduct such as epithets, derogatory jokes or comments, slurs or unwanted sexual advances, invitations or comments.
- Visual displays such as derogatory and/or sexually-oriented posters, photography, cartoons, graphic material, drawings or gestures that denigrates or shows hostility or aversion toward an individual or group.
- Physical conduct including assault, unwanted touching, intentionally blocking normal movement or interfering with work because of sex, race or any other protected basis.
- Threats and demands to submit to sexual requests as a condition of continued employment, or to avoid some other loss and offers of employment benefits in return for sexual favors.
- Retaliation for opposing, reporting or threatening to report harassment and/or discrimination, or for participating in an investigation, proceeding or hearing conducted by the Fair Employment and Housing Commission.
- Retaliation for engaging in any protected activity, including, but not limited to, an employee filing a good faith complaint with either the Company or any state and/or federal agency, an employee's opposition to a practice or conduct the employee reasonably believes to be unlawful, an employee's lawfully protected participation in an investigation or proceeding or an employee's request for reasonable accommodation.
- Abusive conduct including repeated infliction of insults, and epithets, verbal or physical conduct that a reasonable person would find threatening, intimidating or humiliating, the gratuitous sabotage or undermining of a person's work performance.
- Communication via electronic media of any type that includes any conduct that is prohibited by state and/or federal law, or by Company policy.

Sexual harassment does not need to be motivated by sexual desire to be unlawful or to violate this policy. For example, hostile acts toward an employee because of his/her gender can amount to sexual harassment, regardless of whether the treatment is motivated by any sexual desire. The Company will provide sexual harassment training to all employees.

Prohibited harassment under this policy is not just sexual harassment, but harassment based on any protected category.

The Company encourages all employees to report any incidents of harassment or other prohibited conduct forbidden by this policy immediately so that complaints can be quickly and fairly resolved. Employees must report conduct prohibited by this policy whether or not they are personally involved. If you believe that you have been the subject of harassment or other prohibited conduct, provide your complaint, preferably in writing, to your supervisor or Human Resources as soon as possible after the incident. Your complaint should include the details of the incident or incidents, the names of the individuals involved and the names of any witnesses. Any documents supporting the complaint should also be submitted.

Supervisors must refer all complaints of prohibited harassment, discrimination or retaliation to Human Resources. The Company will undertake a prompt investigation of the allegations.

The subject matter of the investigation will be kept confidential to the extent possible. However, the Company cannot promise complete confidentiality. The Company's duty to investigate and take corrective action may require the disclosure of information to appropriate individuals. This investigation will be completed and a determination regarding the harassment, discrimination or retaliation alleged will be made and communicated to you as soon as practicable.

Any employee determined by the Company to be responsible for harassment or other prohibited conduct will be subject to remedial action commensurate with the severity of the offense, up to, and including termination. Action will also be taken to deter any future harassment or other prohibited conduct. Whatever action is taken against the individual will be made known to you.

Because of the seriousness of a complaint of prohibited harassment, discrimination and/or retaliation, any employee who makes or knowingly participates in a false complaint shall be subject to discipline up to and including termination. It is expected that employees will fully cooperate with any such investigation and speak with all candor to the investigating officer regarding the questions and issues presented. Individuals who make false allegations, claims, reports or statements or who refuse to cooperate during the course of an investigation may be subject to discipline up to and including termination.

The Company will not retaliate against you for filing a complaint and will not tolerate or permit retaliation by management, employees or co-workers.

The Company prohibits any and all retaliation for submitting a report of discrimination and for cooperating in any investigation. Any manager or employee who retaliates against the accuser or those involved in the investigation will be disciplined, up to and including termination. Employees should immediately report every instance of retaliation to their supervisor or the office manager.

Public Activities and Affairs

When participating in public affairs and other off-the-job activities, all employees are cautioned to refrain from conduct that could reflect negatively on the participant or the Company.

Personal endorsements or testimonials must be presented to the Company's Marketing Director for prior approval. They are not to be represented, implied, construed or directed as actions and/or endorsements of the Company unless explicitly sanctioned by the Company's Marketing Director or its CEO.

All employees are encouraged to participate in civic organizations and political activities provided such participation does not unduly interfere with their duties or cause detrimental action to the Company.

Employees considering becoming a candidate for any elective public office or being appointed to any governmental position, should first inform the CEO and obtain prior approval of the board of directors through the president.

Personal finances

All employees are expected to live within their income and to manage their personal finances so as to avoid embarrassment personally or to the Company. This includes proper handling of Company accounts and not writing checks against insufficient funds. Excessive borrowing is evidence of poor financial management. The services and advice of the Company are available to all staff members in need of financial guidance and assistance. The Company prohibits improper handling of accounts, for example but not limited to check kiting and performing transactions on employees own behalf. The prohibited act will be evaluated and the action taken may include dismissal of the employee.

Loans made to qualified employees are based on creditworthiness, including length of employment and prospects for continued employment. Refer to the “Loan Policy” for specific processing, approval and monitoring of these loans.

Borrowing and lending practices

Employees should not borrow from each other and should not lend personal funds to clients of the Company other than to members of their immediate families. Family transactions should be kept out of the Company.

Training and Awareness Program

All new employees will receive a copy of this Code of Conduct and Conflict of Interest Policy, be instructed as to its contents, and sign a statement attesting that this has been accomplished (form attached).

Not less frequently than annually, all employees will receive appropriate training.

Actions in Cases of Non-Compliance

The importance and seriousness of this subject cannot be overemphasized. Instances of non-compliance with the provisions or spirit of this code of conduct and conflict of interest policy will be dealt with in a direct and fair-handed manner. When all the pertinent facts of a case have been determined, at a level commensurate with the seriousness of the case, the Company will take appropriate action which may include, but is not limited to, the following:

- Appropriate consideration will be given if the instance was voluntarily disclosed by the employee involved.
- If the violation appears inadvertent and not of highly serious consequence, remedial instruction and training by the employee's supervisor may be the appropriate remedy.
- Progressively more serious violations may warrant progressively stronger Company action including: a letter of reprimand to the employee with a copy to the employee's personnel file, suspension without pay for an appropriate length of time or dismissal.
- A Uniform Criminal Referral Form may be filed no later than seven business days following the discovery of the violation and in accordance with applicable regulatory guidelines.

An employee proposed to be subjected to any disciplinary action because of an alleged violation shall have the right to appeal his or her case to the board of directors. To the extent allowed by law, the board's decision in such cases shall be final.

Redundancy or Conflict with Other Company Policies

Employees are equally bound by the provisions of this policy and those of applicable like polices, as the respective case may be (examples are the Board Policy, which is applicable to directors of the Company and the Employee Handbook which is applicable to members of the Company’s staff) except that to the extent any conflict exists between such policies, which cannot be resolved without removing one or more of the provisions of such policies, then the provisions of this policy shall govern and the conflicting provision of the other policy shall be of no effect in the immediate circumstance in question.

Reporting Responsibility

The Company encourages employees to raise serious concerns internally so that the Company can address and correct inappropriate conduct and actions. It is the responsibility of all employees to report concerns about violations of the Company's Code of Conduct or suspected violations of law or regulations that govern company operations.

No Retaliation

It is contrary to the values of the Company for anyone to retaliate against any board member, officer or employee who in good faith reports a code violation, or a suspected violation of law, such as a complaint of discrimination, suspected fraud or suspected violation of any regulation governing the operations of the company. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment.

Reporting Procedure

The Company has an open-door policy and suggests that employees share their questions, concerns, suggestions or complaints with their supervisor. If employees are not comfortable speaking with their supervisor, they are encouraged to speak with Human Resources. In cases where an employee is uncomfortable communicating a concern in person, the Company utilizes an online hotline service with an independent third-party vendor. Information about submitting an online report is posted in every location and on the company's Intranet page.

Review of Policy

The Board of Directors shall review this policy at least annually, making such revisions and amendments as it deems appropriate.