

The **CODE OF ETHICS** is approved annually by the Board of Directors as a section within the Bank of Clarke County's Employee Handbook.

BANK OF CLARKE COUNTY'S CODE OF ETHICS

Each of us represents the Bank at all times, whether inside the Bank or in our private lives. We should conduct ourselves in a manner that will reflect favorably on the Bank, both in our behavior and our dress and appearance at all times.

The Directors of the Bank of Clarke County are dedicated to the proposition that a good bank helps make a better community. A bank that best serves its customers and community will become an important part of that community and will enrich the area.

The management of the bank will use all resources available, within the bounds of good judgment, to insure that every service needed or desired by its customers and community is offered. With full knowledge that one of the first responsibilities of a private business corporation is to provide a fair return on the shareholders' investments, the management shall continually seek to bring new and improved services to the community.

A corporation is a team made up of the stockholders, directors, officers and employees. All must work together to achieve and maintain established standards which will result in a stronger bank and improved business relations.

The principal duty of stockholders of the bank is to elect responsible and intelligent directors with high ethical and moral standards who have proven themselves in the business community.

Major responsibilities of the directors are to employ officers of integrity, ability and vision; to review the general policies relating to the bank; and to audit and review the bank's functions to assure that bank policies are being followed.

The officers' primary responsibilities are to see that policies are properly formulated, understood, and executed; to make certain that the chain and extent of authority are established, recognized and supported; and to maintain a liaison between the directors and staff.

Employees should do their utmost to advance the interests of the bank. All employees must strive to do the job to the best of their ability, keeping in mind that they represent the bank in all dealings with the public.

Stockholders, directors, officers and employees have an opportunity and responsibility to promote the bank; subtly at times, more aggressively at others.

The following are some guidelines for all employees, officers and directors:

It is imperative that individuals conduct themselves at all times so as to reflect credit on this institution. A reputation for good morals, ethics and integrity is within the reach of everyone, and all must remain above reproach throughout their banking career.

Whenever practical, staff members should avoid conducting business for the bank with any person or firm with whom they have any connection or financial interests. Any bank transaction with such persons or firms, buying from, selling to, or making loans or commitments should be handled by a disinterested associate to protect both the bank and its staff. A staff member's position with the bank must never be used to promote or advance personal interests.

All information obtained by virtue of employment or association with the bank should be held in strictest confidence. No hint of information or of even having knowledge of bank

accounts, sources of income, obligations should be revealed to any unauthorized persons. In other words, "what you hear and see inside, stays inside." The unethical act of revealing information cannot and will not be tolerated.

Directors, officers and staff are encouraged to stay well informed on local, state and national affairs and to meet their obligation to vote in all elections. Participation in political activities should in no way reflect unfavorably on the bank.

No banker should acquire the reputation as a speculator. Selling at a profit is a desirable aspect of investing, but great care is required to protect the bank and the bank employees from an undesirable reputation.

While officers and employees are encouraged to own bank stock, active trading in the bank's stock to make a quick profit is definitely discouraged. The normal purchase and sale of stock is encouraged and deemed desirable.

The acceptance of an excessive gift from customers or bank associates is considered unethical and illegal. This practice should be avoided at all times. This does not include the acceptance of meals, refreshment or entertainment of reasonable value in the course of a meeting, for the purpose of discussing bona fide business. This also does not include acceptance of advertising or promotional material of nominal value, gifts of nominal value for commonly recognized events or the acceptance of gifts or awards for civic accomplishment. Officers, directors and employees should be aware of the inherent problems and use good judgment. The receiving and giving of such gifts should be held to a minimum. Any gift received should not exceed \$25.00 and any exceptions should be approved by the President.

Staff members are to avoid discrimination in the acceptance of business brought to us by reputable persons. However, proposed accounts offered or loans requested from known controversial or unsavory firms or persons should be declined. Such relationships often lead to loss and embarrassment for the bank and should be carefully avoided.

Interest rates on deposits and loans and service charges will be determined solely on the basis of what is in the best interest of the bank and its customers. Under no circumstances should any agreements or understandings be established with any other bank or financial institution concerning such charges. The bank is individually responsible for its policies and operating procedures.

The competition between this bank and any other financial institutions must always be positive. The best possible service to and personal interest in our customers is much more effective than criticism of a competitor. Such criticism is contrary to the character of this bank.