

ChoiceOne

CORPORATE ETHICS POLICY (Conflicts of Interest)

1. GENERAL POLICY STATEMENT: As a financial services provider, the reputation of ChoiceOne for honesty, integrity and security is vital to its success. To merit and maintain the complete confidence of its customers and public, each employee, officer and director must conduct personal affairs and manage his business transactions in a manner, which does not result in adverse criticism from the public, or in any way damage ChoiceOne's reputation as a responsible financial services provider.

Generally, criticism may be avoided by refraining from any action or relationship, which may conflict with the interest of ChoiceOne. It is forbidden for a person to accept anything of value from anyone in connection with the business of the bank, either before or after the transaction is consummated. The Board of Directors bears ultimate responsibility for approval and oversight of this policy. This policy is designed to enumerate business and social relationships, which may present legal and ethical concerns and set forth a code of conduct.

In the absence of a specific exception or approval obtained from the Board of Directors, no ChoiceOne employee, officer or director shall engage or continue any activity or relationship or shall acquire or retain any significant financial or management interest outside ChoiceOne which will be construed to be in conflict with the interest of ChoiceOne. The test question to determine conflict is "DOES THIS ACTIVITY compete with the business interests of ChoiceOne or cast a negative image of ChoiceOne by association?" In analyzing each potential conflict, the spirit rather than the letter of this policy should be observed.

The failure to include an activity or relationship in this policy does not mean any conflict of interest does not exist. It is the responsibility of the employee, officer or director to seek advice of the Chief Executive Officer (or through the Human Resources Manager) whenever there is any question as to whether an activity or relationship conflicts with the interest of ChoiceOne. Responsibility for day-to-day compliance with this policy rests with the Human Resources Manager.

2. CONFIDENTIAL INFORMATION: Employees, officers, and directors shall not, while employed by ChoiceOne or any time thereafter, use for personal benefit or other's benefit, or disclose to anyone, any Confidential Information obtained before or during his or her employment with the corporation. In accordance with the Gramm-Leach-Bliley Act (GLBA) of 1999, financial institutions are required to apply administrative, technical, and physical safeguards to sensitive customer information. Sensitive information collected by the financial institution may not be used or disclosed for any reason other than the legitimate, intended purpose and must be protected from misuse that could result in identity theft. Confidential information includes nonpublic personal information and the institution's financial information. "Confidential Information" includes but is

not limited to: software, equipment, research data, marketing and sales information, personnel data, customer lists, customer files, renewal and expiration data, books, records, reports, statements, financial and other data, plans and all other know-how and trade secrets pertaining in any respect to ChoiceOne or ChoiceOne's customers or service providers.

ChoiceOne's employees, officers, and directors are responsible to observe and uphold the "Privacy Principles" which our clients deserve and expect from their financial service provider. The "Privacy Principles" established by ChoiceOne are hereby incorporated by reference as Exhibit A.

Confidential information with respect to ChoiceOne's present and prospective customers, its employees, suppliers, and shareholders, acquired by an employee, officer or director through his or her employment, is considered to be privileged and must be held in strict confidence. It is to be used solely for corporate purposes and not as a basis for personal gain. In no case shall such information be transmitted to persons outside of the corporation, including family or associates or even to other employees of ChoiceOne who do not need to know such information in discharging their duties as employees. Account relationships should only be discussed in an appropriate business environment and only then released when authorized by the customers, for credit reporting purposes with the proper agencies, or by a court or the IRS when subpoenaed.

First hand information concerning credit experience of our customers may be given only to bonafide commercial businesses and only within the usual parameters of credit information exchange adopted by credit reporting agencies.

Financial information about ChoiceOne or any of its affiliates is not to be released to any person unless it has been published in reports to our shareholders, or otherwise made generally available to the public in accordance with applicable disclosure regulations. The Chief Executive Officer must be informed of all disclosures of corporate news and information to be made public by department heads PRIOR TO DISCLOSURE.

3. PROTECTION OF RECORDS AND ASSETS: Records and accounting information must be accurate and maintained with reliability and integrity; therefore, employees must create, handle, and maintain records with care, ensuring accurate and timely recording of transactions as well as avoidance of false entries or actions which could result in altered information.

Employees, officers, and directors must comply with all internal control procedures established by the institution for the safeguarding of assets and proper reporting and disclosure of financial information.

4. PERSONAL INVESTMENTS: Personal finances should be managed in a manner consistent with employment in a financial institution. This obligation requires the exercise of prudence in making of personal investments as well as specific situations, which might influence judgments made, or advice given, on behalf of ChoiceOne in the course of business.

An employee, officer, or director must avoid deriving any personal advantage through the use of confidential or inside information about the affairs of ChoiceOne, its customers or suppliers, acquired by him through his duties or responsibilities at ChoiceOne. Confidential information about

bank customers that reflects favorably or adversely on the investments value of any business enterprise is insider information.

No employee, or director or member of his/her immediate family or entities (Corporate, LLC, etc.) entity for which the employee, director or member of his/her immediate family has control of may purchase or acquire any real estate, personal or other property of any kind when he has knowledge that ChoiceOne has under consideration the purchase or acquisition of such property EXCEPT AS DIRECTED BY THE BOARD OF DIRECTORS AND WITHOUT PERSONAL GAIN FROM SUCH TRANSACTIONS.

No employee, officer, of director or member of his/her immediate family or entities (Corporate, LLC, etc.) for which the employee, director or member of his/her immediate family has control of may trade in the securities of any outside corporation which he knows to be under consideration for merger or other acquisition by ChoiceOne EXCEPT AS DIRECTED BY THE BOARD OF DIRECTORS AND WITHOUT PERSONAL GAIN FROM SUCH TRANSACTIONS.

An employee, officer, or director who has acquired through his position with ChoiceOne, or as a member of the Board of Directors of an outside corporation, significant information about the affairs of a corporate customer or the corporation of which he is director that is not generally available to all stockholders, must never:

- Make use of such information for personal benefit, or
- Convey such information or give any investment advice regarding that Corporation.

Employees, officers and directors may not purchase any real estate or personal property held by ChoiceOne individually or in a fiduciary or agency capacity, or such property that has been acquired through foreclosure or repossession.

5. PERSONAL BENEFITS: The employees, officers and directors have a duty to comply with requirements of the law, to act in fairness and good faith in dealing with customers, and to observe high standards of personal conduct. This includes, but is not limited to, the federal Bank Bribery Statute.

- No employee, officer or director may seek or accept any thing of value in connection with any ChoiceOne business and acceptance by anyone of gifts or entertainment from customers or suppliers shall be allowed only under limited circumstances as set forth below:
- No employee, officer or director shall seek or accept, directly or indirectly anything of value in return for any business, service, or confidential information or in connection with any transactions or business with ChoiceOne, either before or after a transaction is discussed or consummated.
- Employees, officers and directors may only accept gifts and entertainment of nominal value (less than \$100.00) from customers and suppliers when it is clear the customer or supplier is not trying to influence the employee, officer or director in connection with a transaction and when the gift or entertainment is unsolicited.

- Any gifts or offers of entertainment of more than nominal value must be refused.
- Employees should not receive anything of value for making a loan or performing an act that the bank could have performed.
- An employee should not sell anything to a customer at a value in excess of its worth or purchase anything from a customer at a value less than its worth.

All gifts, commissions, or fees received or offered in connection with ChoiceOne business or while acting in the capacity of a ChoiceOne representative must be disclosed. Reports shall be made to the employee's or officer's supervisor or the Human Resources Manager immediately. Directors should communicate this information to the Chief Executive Officer or Board Chairman.

6. BUSINESS CONDUCT: Activities of ChoiceOne must always be in full compliance with applicable laws and regulation. When such laws or regulations are ambiguous or difficult to interpret, the Chief Executive Office should seek advice of Bank's legal counsel.

No employee, officer or director shall make or approve loans to companies in which they have an interest as director, officer, controlling person or partner, or in which a member of their immediate family has such an interest. No employee, officer or director shall represent a company in any transaction with ChoiceOne in which they or a member of their immediate family has an interest.

No employee, officer or director may take for himself or herself an opportunity, which belongs to ChoiceOne. Whenever ChoiceOne has been seeking a particular business opportunity or the opportunity has been offered to it, or ChoiceOne's funds, facilities or personnel have been used in developing the opportunity, the opportunity rightly belongs to ChoiceOne and not to the employee who may be in a position to divert this opportunity to themselves or others.

Senior management should be informed of all matters considered pertinent to ChoiceOne's position. Moreover, in dealing with ChoiceOne's internal and independent auditors, regulators and examiners, and attorneys or legal counsel, complete candor is essential.

7. OUTSIDE EMPLOYMENT: ChoiceOne generally discourages outside employment. In those instances where it is justified, written approval from the Chief Executive Officer of the Bank is required. No outside employment or activity will be approved which might subject ChoiceOne to criticism or which would encroach upon working time, interfere with regular duties or necessitate long hours so as to reduce working effectiveness.

Outside directorships of officers or employees of businesses organized for profit are not permitted except with the written approval of the Board of Directors of ChoiceOne.

8. OTHER: It is the policy of ChoiceOne to hire the best-qualified candidates for employment

without regard to any individual's status as a member of a protected group. It is necessary that ChoiceOne exercise sound business judgment in the hiring and placement of employees who are closely related, reside together as domestic partners, or are involved in relationships due to the potential for conflicts of interest in the working environment.

Decisions regarding the hiring and placement of relatives, domestic partners, and significant others will be made by ChoiceOne in a nondiscriminatory manner on the basis of business necessity and in accordance with applicable law.

ChoiceOne's objective in administering this policy is to avoid the creation of a conflict of interest or the appearance of a conflict of interest, avoid favoritism or the appearance of favoritism, and decrease the likelihood of sexual harassment in the workplace.

Effective 09-01-2006, "relatives" will not be hired for positions in a full-time status. Exceptions may be granted for temporary or part-time employees with prior approval of CEO/President and Human Resources, but will not be permitted to work in the same department, or where one person has supervisory authority over the other, or where duties are considered to be too closely related as to avoid a potential conflict of interest.

The following relationships are generally defined as "relatives". These relatives may be by blood, adoption or marriage, including step-relationships and cohabitants. Marriage includes "in-law" relationships.

Spouses, Children, Parents, Grandchildren, Grandparents, Siblings – Brothers & Sisters, or any other person residing in the home of directors, officers, or employees of ChoiceOne.

This policy does not apply to "relatives" who already are employed by ChoiceOne as of the effective date of this policy. This waiver, however, may not be used as a basis for further exceptions subsequent to the effective date of this policy.

Employee, officer, or director will, upon termination of his or her employment or affiliation with ChoiceOne, deliver to the corporation, and not keep or deliver to anyone else, any and all materials relating to the corporation's business, including without limitation customer lists, renewal and expiration data, notes, memoranda, computer software or programs, customer file information and documents.

Employment background screening procedures have been developed for pre-employment screening of applicants and potential advancement or promotion of existing personnel in accordance with level of position and responsibilities.

Compliance with the policy's provisions will be periodically monitored. All reports of known or suspected questionable activity in regards to corporate ethics will be investigated. Any violators will be subject to disciplinary action as necessary and warranted by the circumstances. The degree of discipline, up to and including immediate termination of employment, will be determined by ChoiceOne in its sole discretion.

9. ADMINISTRATION OF THIS POLICY: The internal Auditor and the Audit Committee of the Board of Directors shall administer this policy for ChoiceOne and may designate duties be performed by Human Resources. The Auditor will include in the annual Audit Plan an annual test to ensure compliance with this policy. The results of this testing and actions taken shall be included in reports to the Director’s Audit Committee.

Annually, all employees, officers and directors shall receive a copy of this Corporate Ethics Policy, (a.k.a. Conflicts of Interest Policy), and shall sign a “Certificate” of acknowledgment and declare their familiarity with the provisions of this policy and disclose all information required to be disclosed by this policy. Additionally, all employees, officers and directors shall sign a “Secrecy Agreement” stating their intention to keep confidential all business information gained as a result of employment with ChoiceOne. If any employee, officer or director has a situation that may be deemed a conflict, they may file a “Guidance Request” form with Human Resources disclosing the conflict and requesting advice.

These records shall be retained for a time period required by statute by the Human Resources Department and made available to the Auditors.

When the officer in possible conflict of this Policy is the Chief Executive Officer, the Board of Directors must make approvals for variance.

10. TRAINING: All employees, officers, and directors shall receive training and guidance no less than annually.

Any known and/or suspected violation of this policy should be directed to the President or Human Resources Director and must be promptly reported to Risk Management and the Directors’ Audit Committee. The source of all reports will be held in strict confidence.

REVIEWED AND REVISED BY:
BOARD OF DIRECTORS –
08/16/2006 Reviewed 11/22/2006
Reviewed Feb 2009 Reviewed Feb
2010 Reviewed Feb
2011 Revised Nov 2011
Reviewed Feb 2012
Reviewed Mar 2013
Reviewed Feb 2014
Reviewed January 2015
Reviewed January 2016
Reviewed February 2017
Revised February 2018
Reviewed February 2019

Mary Johnson Secretary

PRIVACY PRINCIPLES

1. Recognition of a Customer’s Expectation of Privacy

ChoiceOne employees will recognize and respect the privacy expectations of their customers and explain principles of financial privacy to their customers in an appropriate fashion.

2. Use, Collection, and Retention of Customer Information

ChoiceOne will collect, retain, and use information about individual customers only where the institution reasonably believes it would be useful (and allowed by law) in administering that organization’s business to provide products, services, and other opportunities to its customers.

3. Maintenance of Accurate Information

ChoiceOne has established procedures so that a customer’s financial information is accurate, current, and complete in accordance with reasonable commercial standards. ChoiceOne will also respond to requests to correct inaccurate information in a timely manner.

4. Limiting Employee Access to Information

ChoiceOne will limit employee access to personally identifiable information to those with a business reason for knowing such information. ChoiceOne educates their employees so that they will understand the importance of confidentiality and customer privacy. ChoiceOne will also take appropriate disciplinary measures to enforce employee privacy responsibilities.

5. Protection of Information in Established Security Procedures

ChoiceOne maintains appropriate security standards and procedures to safeguard against unauthorized access to customer information.

6. Restrictions on the Disclosure of Account Information

ChoiceOne will not reveal specific information about customer accounts or other personally identifiable data to unaffiliated third parties for their independent use, except for the exchange of information with reputable information reporting agencies to maximize the accuracy and security of such information or in the performance of bona fide corporate due diligence, unless 1) the information is provided to help complete a customer initiated transaction; 2) the customer requests it; 3) the disclosure is required or allowed by law (i.e. subpoena, investigation of fraudulent activity, etc.); or 4) the customer has been informed about the possibility of such disclosure for marketing similar purposes through a prior communication and is given the opportunity to decline (i.e. “opt out”).

7. Maintaining Customer Privacy in Business Relationships with Third Parties

If personally identifiable customer information is provided to a third party, ChoiceOne will insist that the third party adhere to similar privacy principles that provide for keeping such information confidential.

8. Disclosure of Privacy Principles to Customers

ChoiceOne will make available this disclosure to a customer to inform them of the Privacy Principles that we have adopted. ChoiceOne employees understand that customers are concerned about financial privacy and will inform them about our treatment of this important issue and provide the information when requested.

GUIDANCE REQUEST

Memorandum to: Human Resources

cc: President

The following situation has arisen which, due to my position with the Company, may present a conflict of interest under the Conflicts of Interest Policy. As required by the policy, I wish to disclose this situation to the Company and request guidance on how to proceed. The following circumstances are in question:

Signature _____

Print Name _____

Position _____

Date _____

CONFLICT OF INTEREST CERTIFICATE

I have received a copy of the Conflict of Interest Policy setting forth the corporation's corporate code of conduct and am familiar with its contents. Within its meaning, expressed and implied, I am not aware of any circumstances of a personal or family nature that would be in conflict with the corporate code of conduct except as indicated below.

I understand my failure to comply with the policies and procedures set forth in this statement may be cause for dismissal. I will report promptly any such circumstances that may develop in the future. I certify that:

1. I am not employed by anyone except as follows:
2. I do not hold a position as director, officer, partner, or any other official position in any business or professional enterprise except as follows:
3. Neither I nor my immediate family is engaged in any activity, which may be treated as a conflict of interest as defined in the bank policy statement.
4. I have not received any gifts or other items of personal gain from customers or suppliers.

(Important: If there is nothing to report, please write "NONE".)

Signature _____

Print Name and Title _____

ChoiceOne

Date _____

SECRECY AGREEMENT

I, THE undersigned, holding a position with

ChoiceOne

do hereby agree to observe the strictest secrecy on the subjects of the accounts of all persons or entities dealing with this Corporation; any and all transactions of this Corporation involving its customers, correspondents or shareholders, or any other persons; the financial data and confidential information of all persons or entities which I may acquire information through the business of this Corporation; and the nature or amount of the transactions of this Corporation, or the position of its concerns or affairs, in any respect whatever. The only exceptions being such particulars as may be expressly authorized by the Board of Directors or the Officers, to disclose. I attest to having made and understood the above representations and declarations and pledge my solemn oath to continue to observe secrecy on such subjects should I leave the service of ChoiceOne for any reason whatever.

Dated at ChoiceOne _____

This _____ day of _____, 20____

Signed _____

Print name & title _____