



Select Bank and Trust Whistleblower Policy

Purpose

The purpose of the Bank's Whistleblower Policy is to establish procedures for the submission of complaints or concerns regarding financial statement disclosures, accounting, internal accounting controls, auditing matters or violations of the Bank's Code of Ethics (located in the Employee Handbook) and the Bank's Code of Ethics for Senior Financial Officers (together the "Codes of Ethics").

Sarbanes-Oxley Requirements

Section 301 of the Sarbanes-Oxley Act and NASDAQ listing standards require Select Bank & Trust to establish procedures for: (a) the receipt, retention, and treatment for complaints received by the Bank regarding accounting, internal accounting controls, or auditing matters; and (b) confidential, anonymous employee submissions of concerns regarding questionable accounting or auditing matters.

Procedures

In order to comply with Section 301 and NASDAQ listing standards, Select Bank & Trust has adopted the following procedures:

1. Any employee of the Bank may submit, on a confidential and anonymous basis, if the employee so desires, any concerns regarding financial statement disclosures, accounting, internal accounting controls, auditing matters or violations of the Bank's Code of Ethics. All such concerns shall be reported directly to the Select Bank & Trust Corporate Ethics Officer and/or our human resources consultants – John B Kuhn & Associates at 704-544-2484. The human resources consultant at John B. Kuhn and Associates will submit a report of the Whistleblower complaint to the Corporate Ethics Officer.
2. The Corporate Ethics Officer will promptly forward to the Chairman of the Board of Directors and the Chairman of the Audit Committee any complaints received regarding financial statement disclosures, accounting, internal accounting controls, auditing matters or violations of the Bank's Code of Ethics. If any complaint is made against the Chairman of the Board of Directors the Corporate Ethics Officer will contact the Bank's legal counsel.
3. Following the receipt of any complaints submitted hereunder, the Corporate Ethics Officer, and the General Auditor if necessary, will investigate each matter so reported and take corrective and disciplinary actions, if appropriate, which may include, alone or in combination: a warning or letter of reprimand; demotion; loss of a merit increase, bonus or stock options; suspension without pay; or termination of employment.

4. The Board of Directors and the Corporate Ethics Officer may enlist employees of the Bank and/or outside legal, accounting or other advisors, as appropriate, to conduct an investigation of complaints regarding financial statement disclosures, accounting, internal accounting controls, auditing matters or violations of the Codes of Ethics. The Bank shall provide funding for any investigations of complaints.
5. All Concerns will be treated as confidentially as possible, consistent with its effective investigation.
6. The Bank does not permit and will not tolerate retaliation of any kind against employees for complaints submitted hereunder that are made in good faith. Employees who retaliate are subject to disciplinary action.
7. The Corporate Ethics Officer will retain as a part of its records any such complaints or concerns for a period of at least 7 years.
8. These procedures should be followed by all directors, officers and employees of Select Bank & Trust. Potential or alleged violations and concerns should not be reported to any news medium, government agency or similar body prior to exhausting options under this policy. Select Bank & Trust considers having the first opportunity to investigate alleged wrongdoing important.

Please note that if you are aware of any concerns regarding financial statement disclosures, accounting, internal accounting controls, auditing matters or violations of the Bank's Code of Ethics, and if you do not report these concerns that you are considered to be as culpable as the individual perpetrating these violations.