		APPROVED BY AUDIT COMMITTEE APRIL 27, 2022	ISSUE DATE 05/01/07
NUMBER 2.0	<i>WHISTLEBLOWER POLICY</i>		REVISION DATE 4/27/22
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I. OWNERSHIP AND AUTHORITY:


The Company’s Office of General Counsel is the owner of this Policy and is responsible for its maintenance and update. The Policy will be updated as deemed necessary.

The Company’s primary regulators have noted the important service whistleblowers provide by bringing to light allegations of fraud, waste, abuse, and mismanagement and by reporting what they reasonably believe to be evidence of wrongdoing. The New York State Department of Financial Services (“NYDFS”) has stated “...a robust whistleblowing program is an essential component of a comprehensive compliance program for regulated financial services companies.” The Consumer Financial Protection Act of 2010, the Sarbanes-Oxley Act, and the Dodd Frank Act provide various protections for employees who report violations of law.

II. POLICY:

It is the policy of Discount Bancorp, Inc. to observe high ethical standards in all of its activities. In matters of accounting and internal financial controls, the Company seeks to ensure that all transactions and corporate assets are properly accounted for and that all audits are thorough and complete. The Company is committed to complying with all applicable laws and regulations, Company policies, accounting standards, accounting controls and audit practices. In order to help accomplish these objectives, the Company has established procedures for the reporting and delivery of complaints and concerns about any wrongful conduct or illegality regarding accounting, auditing, financial, and other matters related to the conduct of business, such as business relationships with vendors and customers, fraud, unethical conduct, mismanagement or any other conduct which could negatively affect the safety, soundness or reputation of the Company (“whistleblower complaints”). Whistleblower complaints include not only those activities that could involve the Company in an improper practice or violation of law, but also those that have even the appearance of impropriety. Whistleblower complaints do not include personnel complaints. Personnel complaints are those concerns that are related to employment at the Company, including matters related to occupational safety and health, promotions, age, sex, race or other discrimination, or harassment. Personnel complaints should be reported as set forth in the IDBNY Employee Handbook.

This Policy applies to, and the term “Company” as used throughout the Policy, refers to Discount Bancorp, Inc. and to all of its direct and indirect subsidiaries, including without limitation, Israel Discount Bank of New York.


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III. WHISTLEBLOWER:

Whistleblowing is defined as the reporting and/or threat of reporting of information or concerns, by one or more individuals or entities, that are reasonably believed in good faith by such individual(s) or entity(s) to constitute illegality, fraud, unfair or unethical conduct, mismanagement, abuse of power, unsafe or dangerous activity, or other wrongful conduct, including, but not limited to, any conduct that may affect the safety, soundness, or reputation of the institution. A Whistleblower is any person who observes and reports improper conduct at the Company. Whistleblowers can be, but are not limited to, employees, former employees, independent contractors, consultants, vendors and customers.

IV. RESPONSIBILITIES:

- A. The Audit Committee of the Company’s Board of Directors is responsible for the adoption of this Policy. The Policy and related procedures address:
- The receipt, retention and treatment of whistleblower complaints received by the Company;
 - The confidential or anonymous submission of whistleblower complaints;
 - The objective, prompt and thorough investigation of whistleblower complaints by qualified personnel; and
 - The prompt reporting of complaints and investigation status and results to the Company’s Audit Committee; and
 - The Audit Committee’s responsibility to receive reports regarding whistleblower complaints, investigative findings and follow-up recommendations.
- B. The Company’s management is responsible for developing and maintaining a top-down culture of support for the whistleblowing function so that potential whistleblowers have sufficient confidence in the program to come forward with good faith complaints. Management will insure that the program receives sufficient oversight at the senior management level along with appropriate program resources.
- C. The Company’s General Counsel is responsible for 1) maintaining this Policy and any related procedures, 2) for maintaining and testing the reporting channels established by this Policy,

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3) for overseeing the investigation follow-up and reporting of whistleblower complaints, and 4) for coordinating with Human Resources, Compliance and other departments regarding dissemination of whistleblower procedures and training of managers and supervisors regarding the whistleblower framework; and 5) reporting complaints and investigation results to the Audit Committee.

V. POLICY REVIEW AND APPROVAL:

This Policy shall be reviewed and approved by the Audit Committee of the Board of Directors biennially or as deemed necessary.

VI. SUBMITTING A WHISTLEBLOWER COMPLAINT:

A. Any employee, vendor, consultant or customer may submit a whistleblower complaint by following any of the methods set forth below:


1. Whistleblower complaints may be made, either anonymously or with identification, by any of the following methods:

- e-mail to whistleblower@idbny.com with the subject “Whistleblower Complaint”;
- e-mail to or call the General Counsel of the Company, Leslie K. Case, at lcase@idbny.com or (212) 551-8917;
- forward a letter addressed to the General Counsel:

General Counsel
Israel Discount Bank of New York
1114 Avenue of the Americas
New York, New York 10036

- use the Company complaint hotline, (212) 551-8679;
- forward a letter to the Chairman of the Audit Committee at the following address:


Chairman of the Audit Committee
c/o Israel Discount Bank of New York
1114 Avenue of the Americas
New York, New York 10036

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2. Any person registering a whistleblower complaint will be encouraged to provide as much detail as possible regarding the subject matter of the complaint, as the ability to investigate and to rectify any problem will depend largely on the quality and specificity of the information provided in the complaint.
3. The person communicating a complaint need not identify himself or herself. If the complaint is made anonymously, the Company will maintain the whistleblower's anonymity to the extent possible. All whistleblower complaints will be treated confidentially to the extent possible. If the whistleblower identifies himself or herself to the Company, the Company will not disclose his or her identity without the whistleblower's permission or unless otherwise required by law, court order, or other form of legal process, or as otherwise necessary for the Company to carry out its obligations.
4. Managers and supervisors may learn of potential whistleblower issues outside of the established formal reporting channels discussed. Complaints made directly to a supervisor, informal conversations, employee reviews and exit interviews are all potential sources of potential whistleblower issues and should be reported immediately pursuant to any of the methods set forth in Section VI(A)(1) above.

B. The Company does not permit retaliation of any kind against employees for whistleblower complaints submitted in good faith and will not discharge, harass or in any manner discriminate against any individual providing such information. Any person wishing to report a complaint will be assured that the investigation of the complaint will be handled with the highest level of anonymity and confidentiality to the extent possible. The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of employment based upon the lawful actions of such employee with respect to good faith reporting of a whistleblower complaint or the provision of assistance in investigating or otherwise helping to resolve a complaint. Retaliation against a complaining employee may result in disciplinary action by the Company up to and including termination. Any reported allegations of retaliation will be promptly investigated.

No employee shall be adversely affected because the employee refuses to carry out a directive that constitutes corporate fraud, or is a violation of state or federal law.

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VII. INVESTIGATING A WHISTLEBLOWER COMPLAINT:


Each complaint will be evaluated to determine if 1) a detailed investigation is warranted, 2) final action can be taken without further investigation or 3) the complaint is not an actual whistleblower matter, in which case the General Counsel will determine what further action may be required. In evaluating any whistleblower complaint, the General Counsel will be alert for patterns of behavior that may require further investigation or action.

All investigations will be handled by the General Counsel or her designee unless, in her opinion, the investigation should be handled by another department or by outside counsel. In those instances the General Counsel will refer the complaint as she deems warranted.

At the conclusion of any complaint investigation, the General Counsel will assess the results and evaluate the merits of the complaint. If follow-up is required or if corrective action is indicated, the General Counsel will refer the matter to the appropriate department. When a matter is referred to an individual or department for action, the General Counsel will follow up to determine that the corrective actions have been taken.

The General Counsel or her designee may take the following additional steps with respect to any whistleblower investigation after considering the nature of the allegation and the degree of risk that could be imposed on the Company should the allegations be borne out:

- Conduct interviews with the whistleblower, the whistleblower’s supervisor and associates and any other person capable of supplying information relevant to the investigation;
- Request copies of business reports, contracts, invoices, internal telephone and email records and any other internal information likely to supply information relevant to the investigation;
- Refer the complaint and the investigation results to senior management, the Board of Directors or the Company’s regulatory authorities;
- In consultation with the Board of Directors and senior management, refer the complaint and the investigation results to the appropriate law enforcement authorities.

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Conflicts of Interest. The General Counsel will take the necessary steps to identify conflicts of interest with respect to the complaint or the whistleblower. Investigations will generally not be referred to individuals or departments, which, in the General Counsel’s judgment, would have any conflict of interest that would render inadvisable their participation in the investigation. Complaints involving the General Counsel or the Office of General Counsel will be referred to another department or to outside counsel for further investigation and reporting.

VIII. PROTECTING THE WHISTLEBLOWER:

In the course of any investigation, the General Counsel will take the steps necessary to maintain the confidentiality of the investigation and the whistleblower to the extent possible. All materials relating to the complaint, the investigation and the resultant reports will be maintained in the Office of the General Counsel or, if the investigation is referred to outside counsel, at the offices of the appointed counsel. Information regarding a complaint will be shared or discussed only on a “need to know” basis. The results of any investigation or treatment of a complaint will be reviewed by the General Counsel prior to a final determination.


In addition to recognizing the need to protect the whistleblower from retaliation or unfair treatment, the General Counsel will be also be cognizant of protecting others from the effects of any whistleblower allegations pending a final outcome.

IX. REPORTING:

The General Counsel or the General Counsel’s designee will report on the nature of all whistleblower complaints received to the Audit Committee at the next regular Committee meeting. The General Counsel may consult with the Committee Chair on an interim basis if she considers the nature of the complaint to be sufficiently serious. The General Counsel will deliver follow-up reports to the Audit Committee as long as any complaint remains under review or investigation and will advise the Committee as to any remediation or further action recommended or required with respect to an investigation. If the Complaint does not involve the Chief Executive Officer, the General Counsel will also report the complaint to the CEO.

X. TRAINING:

This Policy will be publicized on the Company intranet and advertised through the Company’s employee portal. This Policy will be discussed with the Company’s Senior Management Team

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and the fundamentals of this Policy will be communicated to employees. Management will be encouraged to identify possible whistleblower issues that they learn of outside of the reporting channels (e.g. complaints sent directly to the managers, issues raised during employee reviews or exit interviews, informal conversations). The Company will provide and document regular periodic training on this Policy.


All training will stress the fact that whistleblower claims will be fully investigated and acted upon, that whistleblowers will be protected from any form of retaliation and that anonymity will be protected to the extent possible if a whistleblower chooses to report anonymously.

XI. RECORDKEEPING:

- Subject to the provisions stated in Section VIII above, the Office of General Counsel will maintain custody of the records of and related to whistleblower complaints.
- All records of whistleblower complaints received by the Company will be preserved for a period of seven years.
- After the seven-year retention period, the records of whistleblower complaints may be disposed of in accordance with Company policies.
- Any information developed in the course of responding to a whistleblower complaint will be handled as the Company deems appropriate.

XII. IMPLEMENTATION:

The Audit Committee is responsible for the adoption of this Policy and the provisions outlined herein. It may request reports from the Company’s executives about the implementation of the Policy and direct that other steps be taken in connection with that implementation as it deems necessary. It may order the amendment of this Policy at its discretion. The Audit Committee may, as contemplated by the Charter of the Audit Committee, authorize the retention of advisors to assist in carrying out any investigations and to advise the Committee as to any remediation or further action recommended or required with respect to an investigation.

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XIII. POSTING REQUIREMENTS

The Company shall post a notice to protected individuals of their protections, rights and obligations conspicuously, in an easily accessible and well-lit place customarily frequented by such protected individuals.

XIV. DOCUMENT REVISION HISTORY:

Version #	Owner	Revision Date	Approval Date Approved By:	Key Changes or Additions
1.0	Office of General Counsel	May 1, 2007	March 7, 2017	Initial Version (reapproval)
2.0	Office of General Counsel	July, 2019	August 7, 2019	Revised in accordance with NYSDFS guidance dated January 7, 2019
2.0	Office of General Counsel	July, 2019	April 28, 2021	Revised in accordance with NYSDFS guidance dated January 7, 2019
3.0	Office of General Counsel	April 27, 2022	April 27, 2022	Revised in accordance with revisions to NYS Labor Law §740, effective 1/26/22