



Employee Handbook



January 1, 2021

TABLE OF CONTENTS

	Page
MESSAGE FROM THE CHAIRMAN	1
WELCOME	2
Welcome	2
Human Resources Department Directory	3
EMPLOYMENT	4
Equal Employment Opportunity Policy and Anti-Harassment Policy	4
Commitment to Customers	12
Employment of Close Relatives/Romantic Relationships	12
Employee Referrals	13
Hiring Practices	13
Transfers	13
Job Postings	14
New Hires	14
Performance Appraisal	15
Employee Files	16
Safety & Security	17
WORK RULES & REGULATIONS	20
Work Rules	20
No Video or Audio Tape Recordings	23
Absenteeism and Tardiness	24
Drug & Alcohol Policy	25
Dress Code	26
Smoke-Free Workplace	28
SOCIAL MEDIA POLICY	28
Request or Demand for Confidential Information	31
Conflicts of Interest	32
Communication Procedure	32
Customer Service	33
Corrective Counseling	34
WAGE & SALARY	36
Classifications of Employment	36
Hours of Work	36
Overtime	39
Payroll & Paychecks	40
Wage and Hour Policy and Complaint Procedure	41
ABSENCE & TIME OFF	43
Policy Statement	43
Vacation	43
Holidays	47
Temporary Schedule Changes	48
Sick and Safe Days	48

Bereavement Time	53
Jury Duty.....	53
Leaves of Absence	54
BENEFITS	70
About Your Benefits.....	70
Health Insurance Program.....	70
Life & Accident Insurance Plans	71
Income Protection Plans	72
Voluntary Insurance Plans	74
401(k) Plan	75
Pre-Tax Commuter Benefits.....	75
Tuition and Education Programs	76
Employee Incentives	78
Part-Time Employee <i>Benefits for Which There Is No Entitlement</i>	80
LEAVING THE BANK.....	81
Termination.....	81
Retirement.....	81

Message from the Chairman

Dear Apple Bank Staff Members:

Welcome to the Apple Bank family of employees! I am confident that our association can be a lasting and mutually rewarding one.

Apple Bank for Savings has been providing New Yorkers with community-based personal and business banking services for over 150 years. We are one of the nation's strongest financial institutions, having remained profitable through the most recent financial crisis. We believe our growth and success has come from our commitment to conservative and prudent banking practices and putting our customers and their best interests first. We have grown safely and soundly because of the contributions of each and every employee in delivering the highest quality service.

We are in an exciting industry and believe that career opportunities at Apple Bank are open to every member of our team. We hope that you will share this excitement and use your unique talents and experience to make the most of each job assignment. You are the key to our continuing success and our future opportunities, and we are committed to developing and rewarding each of you so that you may grow along with Apple Bank.

Looking ahead, the future will continue to present individual and bank-wide challenges as well as opportunities. Working together as a team, I am counting on your help in meeting our challenges and capitalizing on our opportunities. In doing so, we can assure a successful future for Apple Bank and for all of our employees.

Steven Bush
Chairman and Chief Executive Officer

Welcome

Welcome

The Human Resources Office has designed the Employee Handbook (Handbook) to help you adapt to the Bank as quickly and easily as possible. It contains information of general interest, benefits information, and a set of rules that we all must observe if we are to work together as a team. We will update as policies evolve to meet the changing needs of the Bank.

Please keep in mind that the material contained in the Handbook is informational only and has been designed solely as a quick and easy reference guide for our employees. It is **not**, nor is it intended to be, a complete guide to all rules, regulations and benefits currently in force. It represents only an overview of substantive HR policies, procedures and benefits provided by the Bank.

Due to government regulations and management's response to the changing demands of operations, the Bank reserves the right to modify, change or delete the terms and provisions contained in the Handbook from time to time, without notice, at management's sole discretion.

This Handbook contains **guidelines** that should not be regarded as contractual in nature, nor should any information contained in it be interpreted as representing a contract of employment. Any oral or written statements to the contrary are hereby expressly disavowed and should not be relied upon by any prospective or existing employee.

While the Bank hires all of its employees with the hope that its employment relationships will be long and mutually satisfying, all of its employees are employed at-will. Both the Bank and the employee are free to terminate the employment relationship at any time with or without cause or notice.

This Handbook supersedes any and all previous employee Handbooks and management memos, which may have been issued on subjects covered. State and local laws may require some modification to the guidelines described in this handbook. It is the Bank's policy to comply with applicable state and local laws in all locations where the Bank has facilities and the policies in this Handbook shall be deemed automatically amended to comport with these laws.

If you have any questions regarding the material in this handbook, contact your supervisor or the Human Resources Office.

Should a conflicting statement occur between this Handbook and Human Resource policy and procedure, the Human Resources policy and procedure will prevail.

Human Resources Department Directory

This is a directory of the Human Resources Officers and Departments. If you have any questions pertaining to this Handbook you may contact your supervisor or the appropriate department listed.

Human Resources Administration, Policies & Procedures

Susan B. Goro
Chief Human Resources Officer, Human Resources(212) 224-6421
Rachel Fisher
Manager of Employment and Employee Relations(212) 224-6419
Policies and Procedures,
Performance Appraisals, AAP/EEO(212) 224-6419

Benefits and Compensation

Susan B. Goro
Chief Human Resources Officer, Human Resources(212) 224-6421
Arlaina Sokolsky
Total Rewards Officer(212) 224-6418
Leslie Ali
Benefits Manager(212) 224-6476
Tom Merendino
Compensation Analyst(212) 224-6550

Employee Relations, Recruitment and Staffing

Rachel Fisher
Manager of Employment and Employee Relations(212) 224-6419
Megan Weed
Talent Acquisition Team Lead(917) 364-8413
External Recruitment Information www.applebank.com
Internal Job Posting Applenet/Job Postings

Employment Verifications and Employment Letters

The Work Number www.theworknumber.com
..... (800) 367-5690

Payroll

Max Berkowitz
Payroll & HRIS Manager(646) 949-8792
David Liu, Payroll/HRIS Analyst (212) 224-6513
Adriana Medina, Payroll Administrator(646) 949-8714

Employment

Equal Employment Opportunity Policy and Anti-Harassment Policy

Apple Bank for Savings (the “Bank”) is committed to providing an environment that promotes equal opportunities and prohibits discriminatory practices, including sexual and other discriminatory harassment and retaliation. In keeping with this commitment, the Bank will not tolerate unlawful discrimination (including any form of unlawful harassment or retaliation) at work or in work-related settings by or against anyone, including any executive, supervisor, manager, employee, intern, independent contractor, freelancer, client, vendor, visitor or other non-employee.

Scope of Policy Coverage

This policy covers every Bank employee, intern, independent contractor, freelancer, client, vendor, visitor or other non-employee doing business with the Bank on the Bank’s premises without exception. The Bank will not tolerate, condone or allow unlawful discrimination, retaliation, harassment, including sexual harassment, or other unacceptable conduct prohibited by this policy, whether engaged in by fellow employees, interns, executives, supervisors, managers, independent contractors, freelancers, clients, vendors, visitors or other non-employees who conduct business with the Bank. Consequently, if you feel discriminated or retaliated against or harassed (sexually or otherwise) or subject to unacceptable conduct prohibited by this policy by a non-employee in the course of your employment with the Bank, you should use the Complaint Procedure set forth below. Conversely, the prohibitions against unlawful discrimination, harassment and retaliation and other unacceptable conduct set forth in this policy apply to your conduct relative to non-employees with whom you come into contact in the course of your employment with the Bank. Unlawful discrimination, harassment, including sexual harassment, retaliation and other unacceptable conduct prohibited by this policy will not be tolerated on our property or in any other work-related settings, such as business trips or social events. All who work at the Bank have a responsibility to conduct themselves in an appropriate manner.

Policy Prohibiting Discrimination

The Bank is an equal employment opportunity employer. Employment decisions, including, but not limited to, hiring, promotions, demotions, compensation, transfers and discharge, are based on merit, qualifications, experience, tenure and business needs. The Bank will not engage in or tolerate unlawful discrimination (including any form of unlawful harassment or retaliation) on account of a person’s race, color, hairstyle, citizenship status, national origin, ancestry, sex, gender identity or expression, transgender status,

gender dysphoria, sexual orientation, age, religion, creed, physical or mental disability, HIV/AIDS status, use of a service/guide dog, child-bearing status, childbirth, pregnancy or related medical condition(s), marital or partnership status, caregiver status, veteran status, political affiliation, domestic violence victim status, stalking or sex offense victim status, predisposing genetic characteristic, unemployment status, arrest or conviction records, credit history, reproductive health decision making, including, but not limited to, a decision to use or access a particular drug, device or medical service, or any other characteristic protected by law.

Adverse employment decisions made or actions taken against an employee based upon any protected status or characteristic will not be tolerated by the Bank. While management is primarily responsible for seeing that the Bank's Equal Employment Opportunity and Anti-Harassment Policy is implemented, all personnel share in the responsibility for assuring that by their personal actions the policies are effective and apply uniformly to everyone.

It is the policy of the Bank to comply with all the relevant and applicable provisions of federal, state, and local law with respect to reasonable accommodations for disabilities (including disabilities caused by, exacerbated by, or related to pregnancy); pregnancy, childbirth or related medical condition (regardless of whether a disability); religious observances, practices, and beliefs; and status as a victim of domestic violence, sex offenses, or stalking. Please see the Policy on Reasonable Accommodations, below, for additional information.

An employee may bring a civil action in any court of competent jurisdiction against an employer alleged to have violated Section 203-e of the New York Labor Law prohibiting discrimination based on an employee's or a dependent's reproductive health decision making. In any civil action alleging a violation of Section 203-e, the court may award damages, including, but not limited to, back pay, benefits and reasonable attorneys' fees and costs incurred to a prevailing plaintiff; afford injunctive relief against any employer that commits or proposed to commit a violation of the provisions of this section; award reinstatement; and/or award liquidated damages equal to 100% of the award for damages unless an employer provides a good faith basis to believe that its actions were in compliance with the law.

Affirmative Action Plan

The Bank has made a commitment to equal employment opportunity through a positive and continuing Affirmative Action Program.

Overall responsibility for directing and ensuring implementation of our Equal Employment Opportunity and Anti-Harassment Policy and the Bank's Affirmative Action Plan has been designated to Susan Goro, Senior Vice President and Director of Human Resources. Rachel Fisher, Vice President Manager of Employment and Employee Relations, has been designated EEO Coordinator and is responsible for compliance with State and Federal equal employment opportunity laws, including equal employment practices,

monitoring and internal reporting. Employees that believe they have not been treated in accord with this policy are encouraged to contact Susan Goro at (212) 224-6421 or Rachel Fisher at (212) 224-6419, during regular business hours.

The affirmative action plan is available for review at the Human Resources Office during the business hours of 9:00 am to 4:30 pm by appointment.

The continued success of our Affirmative Action Program requires maximum cooperation from every employee throughout our organization. Equal employment opportunity is not only the law, but is a principle of Apple Bank for Savings.

Policy Prohibiting Harassment Based on Any Protected Group

Workplace harassment generally consists of unwelcome conduct, whether verbal, visual or physical, that is based on an individual's protected status, such as sex, race, color, ancestry, citizenship status, national origin, religion, age, physical or mental disability, gender identity or expression, transgender status, gender dysphoria, sexual orientation, marital status, veteran status, domestic violence victim status or any other protected group as set forth above, and that results in a tangible employment action or that unreasonably interferes with an individual's work performance or otherwise creates an intimidating, coercive, hostile, or offensive working environment.

Harassment based on an individual's membership in any protected group (for example, race, age, national origin, ancestry or disability) is equally prohibited and will not be tolerated.

The following are unacceptable, and as such, prohibited, regardless of whether any one of them is illegal in and of itself: making inappropriate or disrespectful comments about a person's age, physical condition, sexual orientation or any other protected characteristic; using racial slurs or epithets; negative stereotyping; removing accommodations or corrective devices provided to or used by a disabled individual; and excluding individuals from the use of or making them feel uncomfortable in their use of the Bank's facilities because of a protected characteristic.

Policy Prohibiting Sexual Harassment

The Bank is committed to maintaining a work environment free from sexual harassment, which like other violations of the Bank's Equal Employment Opportunity and Anti-Harassment policy, constitutes employee misconduct.

Sexual harassment, which is a specific type of workplace harassment, includes harassment on the basis of sex, sexual orientation, self-identified or perceived sex, gender expression, gender identity, and the status of being transgender. Sexual harassment includes unwelcome or unwanted sexual attention, sexual advances, requests for sexual favors, and other verbal, visual, or physical conduct of a sexual nature or other offensive behavior directed toward an employee because of or on account of his or her gender, whether by a person of the opposite or same gender.

Consistent with the foregoing, the following behaviors are strictly prohibited:

- To threaten or insinuate, expressly or implicitly, that any person is required to submit to sexual advances or to provide sexual favors as a condition of employment, continued employment or any term, condition or benefit of employment, or that a person's refusal to submit to sexual advances or to provide sexual favors will affect adversely the person's employment, continued employment or any term, condition or benefit of employment.
- To make any employment decision or take any employment action based on a person's submission to or refusal to submit to sexual advances.
- To engage in unwelcome sexual conduct which has the purpose or effect of interfering unreasonably with another person's work performance or of creating an intimidating, hostile, abusive or offensive working environment.

Examples of the types of conduct that may constitute sexual harassment include, but are not limited to: unwelcome sexual advances, propositions, flirtations or innuendoes; demands for sexual favors; unwanted and unnecessary physical contact (such as grabbing, rubbing, kissing, hugging, patting, pinching, or brushing against another employee or non-employee's body); demands for sexual favors in exchange for favorable treatment or continued employment; display of pornographic material; accessing or viewing pornographic websites; offensive remarks, such as unwelcome graphic or suggestive comments about an individual's body, appearance, dress, sexual prowess or deficiencies; obscene jokes; the display in the workplace of sexually suggestive objects or pictures; sex stereotyping (i.e. when conduct or personality traits are considered inappropriate because they may not conform to other people's ideas or perceptions about how individuals of a particular sex should act or look); hostile actions taken against an individual because of the individual's sexual orientation, gender identity and/or the individual's status of being transgender; and any other unwelcome and unwanted conduct of a sexual nature, such as leering, whistling, staring, name calling and sexual innuendo.

Specific examples of incidents of harassment in our industry, all of which are prohibited, could include:

- Being pressured by a customer for dates;
- Being pressured for sexual favors by a manager in an empty office, over the phone during conversations, or in isolated areas while working, whether during or after hours;
- Being the subject of inappropriate conduct at a dinner meeting with colleagues or the Bank's clients.

Such actions are unacceptable, and are prohibited, regardless of whether any one of them is illegal in and of itself.

All employees, interns, independent contractors and freelancers are encouraged to report any harassment or behaviors that violate this policy using the attached

complaint form and Complaint Procedure set forth below. The Bank will neither engage in nor tolerate any form of unlawful retaliation as set forth below.

Sexual harassment is prohibited by Title VII of the Civil Rights Act of 1964, the New York State Human Rights Law, and the New York City Human Rights Law. Sexual harassment may also be prohibited by additional applicable laws. An employee who brings a successful claim for sexual harassment may be entitled to monetary damages, compensatory damages, punitive damages, attorneys' fees and other relief. An entity found to violate these laws may be subject to civil penalties.

A person who has been subject to sexual harassment can make a complaint outside of the Bank, through various federal, state, and local government entities, or in court. These entities include, but are not limited to, the New York State Division of Human Rights, the New York City Commission on Human Rights, the Nassau County Human Rights Commission, the Rockland County Human Rights Commission, the Suffolk County Human Rights Commission, the Westchester County Human Rights Commission, and the U.S. Equal Employment Opportunity Commission.

Policy on Reasonable Accommodations

If you believe you need an accommodation for any of the reasons set forth below, please contact your direct supervisor, manager or member of the Human Resources Department.

When qualified individuals with physical or mental disabilities (including disabilities caused by, exacerbated by, or related to pregnancy or childbirth, including recovery from childbirth) or handicaps notify the Bank of such disabilities or handicaps and request reasonable accommodations (such as a leave of absence) for such disabilities or handicaps, the Bank will make reasonable accommodations on behalf of such individuals.

Similarly, when individuals notify the Bank of pregnancy (including pregnancy, childbirth, or medical conditions related to pregnancy or childbirth, including recovery from childbirth) and request reasonable accommodations relating to the same, the Bank will make reasonable accommodations on behalf of such individuals, regardless of whether they are disabled.

Also, when employees notify the Bank of a request for reasonable accommodation due to their status as a victim of domestic violence, sex offenses, or stalking, the Bank will make reasonable accommodations on behalf of such individuals. Examples may include: leave; modified or flexible work schedules; confidentiality of addresses and phone numbers; transfers to another location, unit, division and/or work station; and assisting in the enforcement of protective orders, such as posting photograph of abuser with reception or security.

Finally, when individuals notify the Bank of sincerely-held religious observances, practices and beliefs and request reasonable accommodations

relating to the same, the Bank will make reasonable accommodations on behalf of such individuals.

Under each set of circumstances above, the Bank will consider making reasonable accommodations where the Bank is aware of the need for such accommodations. An individual does not have to use the words “reasonable accommodation” or “disability,” for example, in order to make a request. Upon receiving a request for a reasonable accommodation, the Bank will comply with its legal obligation to engage in an interactive process and/or cooperative dialogue to make an individualized determination of whether a reasonable accommodation can be provided. The Bank will provide the individual requesting an accommodation with a written final determination identifying any accommodation granted or denied.

Under each of the circumstances above, no accommodation will be made if it imposes an undue hardship on the Bank.

The Bank will treat a medical condition or complication that is caused or exacerbated by pregnancy no differently from other medical conditions for the purpose of determining whether an individual is disabled, engaging in the interactive process and/or cooperative dialogue, and evaluating whether an individual entitled to a reasonable accommodation (e.g., leave of absence and/or time off).

If you are not satisfied with any accommodation offered by the Bank, or with the Bank’s denial of your request for a reasonable accommodation, you may appeal such decision to the General Counsel of the Bank in writing.

If you are an officer, manager, or supervisor and anyone requests an accommodation of you, you must report this immediately by contacting a member of the Human Resources Department and actively work with that representative in an effort to achieve a reasonable accommodation to allow the employee to perform the essential functions of his or her job.

Policy Prohibiting Retaliation

The Bank will neither engage in nor tolerate unlawful retaliation of any kind by anyone against any person who raises a complaint about unlawful discrimination, harassment (including sexual harassment), retaliation, or serves as a witness or otherwise participates in the investigatory process. Further, the Bank will neither engage in nor tolerate any conduct by anyone against any person that is reasonably likely to deter a person from raising any complaints pursuant to this policy or from serving as a witness or otherwise participating in the investigatory process. The Bank also will neither engage in nor tolerate unlawful retaliation of any kind by anyone against a person who is associated with any person who raises such a complaint. The Bank also will neither engage in nor tolerate unlawful retaliation of any kind by anyone against any person who requests or receives an accommodation as set forth above.

Prohibited unlawful retaliation includes adverse tangible employment actions, such as denial of a raise or promotion. It also may include, in some circumstances, other material changes in the terms and conditions of employment, such as work assignments, as well as harassing conduct, such as ostracizing an employee who has made a complaint. Prohibited unlawful retaliation also may include adverse actions independent of the workplace, such as trying to exclude an employee from membership in an outside professional organization because of a complaint he or she raised at work.

Retaliation is a serious violation of the Bank's policy and will not be tolerated. Persons who engage in retaliatory activity are in direct violation of the Bank's equal employment opportunity rules and goals and will be disciplined accordingly, up to and including discharge.

It is no defense to unlawful retaliation by any person (officer, manager, supervisor, etc.) that the complaint did not have legal merit. So long as an employee acts in good faith, he or she is protected against unlawful retaliation.

Complaints and information of retaliation are subject to the same reporting, investigation, and remedial procedures as harassment claims.

Complaint Procedure

If you believe that you may have been--or anyone else may have been--unlawfully discriminated against, harassed by or retaliated against or subject to any unacceptable conduct prohibited by this **Equal Employment Opportunity and Anti-Harassment Policy** (even if not unlawful), by any officer, manager, supervisor, co-worker, or non-employee, we strongly encourage you to report your concerns immediately to your direct supervisor or the Human Resources Department. If you do not feel comfortable going to either of these persons, you should contact the Bank's General Counsel. A complaint form is attached for your use. No employee, applicant, intern, independent contractor or freelancer should report any existing or potential violation of this policy to any person who they believe is involved in the matters giving rise to the violation or potential violation.

Similarly, if you have any question as to whether certain conduct is unlawful discrimination, retaliation or harassment or other unacceptable conduct prohibited by this policy, or whether an accommodation may be needed or possible, you are encouraged to speak with your direct supervisor or the Human Resources Department.

In all cases, your complaints will be investigated promptly, thoroughly and impartially, ensuring due process for all parties. Further, the existence and nature of your complaint, as well as the identity of any complainant, witness or accused, will be disclosed by the Bank only to the extent necessary to make a prompt, impartial and thorough investigation or as may be necessary to take appropriate corrective measures.

If, after final determination of the issues raised in your complaint, you are not satisfied with its resolution, you may address your complaint to the General Counsel of the Bank in writing. The General Counsel will review the investigative record, or conduct a further review as he/she deems appropriate, and affirm or modify the determination. Your appeal should be in writing to help ensure that the General Counsel is clear that you wish to appeal. While we encourage you to be detailed, it is sufficient to say “I wish to appeal my EEO complaint.”

If you are an officer, manager, or supervisor and anyone complains to you that he or she believes that he or she or anyone else may have been subject to unlawful discrimination, harassment or retaliation (or other unacceptable conduct of the nature described in this policy) or that he or she needs an accommodation or an accommodation requested has not been made, you must report this immediately by contacting a senior member of the Human Resources Department.

In addition, an officer, manager or supervisor also must report immediately to a member of the Human Resources Department potential violations of this policy which they witness or of which they otherwise become aware, even in the absence of a complaint.

All employees—whether complainant, accused or witness—are expected to cooperate fully and honestly in any investigation of a violation of this policy.

Violations of this Equal Employment Opportunity and Anti-Harassment Policy

Any officer, manager, supervisor, other employee, or non-employee who, after appropriate investigation, has been found to have engaged in unlawful discrimination, harassment or retaliation and/or unacceptable behavior inconsistent with this policy (even if not unlawful) will be subject to appropriate (immediate and proportionate) corrective/disciplinary action, up to and including termination of his or her employment or other relationship with the Bank.

Any officer, manager or supervisor who fails to make a report immediately as required by this policy will be subject to appropriate (immediate and proportionate) corrective/disciplinary action, up to and including termination of his or her employment with the Bank.

Disciplinary action imposed on an employee may include one or more of the following: a verbal and/or written reprimand; referral to counseling; withholding of a promotion; reassignment; temporary suspension without pay (for both exempt and non-exempt employees, with exempt employees suspended without pay in full day increments only); and termination. Although the Bank’s ability to discipline a non-employee is limited by the degree of control, if any, that the Bank has over the non-employee, any employee who has been subjected to unlawful discrimination, harassment or retaliation and/or unacceptable behavior inconsistent with this policy by a non-employee should be assured that appropriate action will be taken.

While this policy sets forth our standards for promoting a workplace that is free from unlawful discrimination, harassment, and retaliation, this policy does not limit our authority or ability to discipline or take any other remedial action for workplace or outside conduct related to the workplace that we find to be inappropriate, regardless of whether that conduct is illegal.

On the one hand, conduct does not need to violate the law to violate this policy. On the other hand, not every behavior that may be considered offensive to someone necessarily violates this policy.

In Conclusion

The Bank is committed to enforcing this policy in order to ensure that all our employees, interns, independent contractors and freelancers are able to work in an environment that is free from unlawful discrimination (including unlawful harassment and retaliation) and other unacceptable conduct. All of our employees, interns, independent contractors and freelancers are required to read this policy, understand the conduct that is prohibited, and be familiar with the procedures for reporting unlawful discrimination, retaliation or harassment or other unacceptable conduct prohibited by this policy. It is our hope and expectation that all of our employees will join in our commitment to make this policy a success.

Commitment to Customers

Every employee has a responsibility to maintain customer and public trust and confidence in the Bank, and that this is a condition of employment.

Employees accept the principle that the welfare of the Bank depends upon the conduct and honesty of its employees and upon the trust and confidence of the public. The Bank's customers rightly expect honesty, security and confidentiality in their accounts and Bank affairs.

Employees are prohibited from giving unauthorized information relative to the accounts of the Bank or its relations with others, and are never to discuss matters of a confidential nature relating to the Bank's affairs, unless such discussion is in the necessary course of Bank business and is in accordance with Bank policy.

Employees also agree to inform the officers of the Bank, without delay, of any fraud, false entry, substantial error, embezzlement and employee misconduct, which they discover or know to have taken place in any records, property or funds of the Bank, and to report any transaction or matter that seems to be irregular or damaging to the Bank.

Employment of Close Relatives/Romantic Relationships

The Bank is happy to receive employment applications or receive bids for contracting/consulting relationships from relatives of Apple Bank employees. However, no employee or contractor/consultant can be: (i) employed

by Apple Bank or engaged as a contractor/consultant in the same department as a relative or (ii) directly or indirectly supervised by a relative or anyone with whom he/she is involved with in a romantic relationship. For purposes of this policy, “relative” means spouse, registered domestic partner, mother, father, children, sisters, brothers, all in-laws, aunts and uncles.

Current employees or contractors/consultants, who become related by virtue of marriage, may be transferred if a direct or indirect supervisory relationship exists between the employees or contractor/consultant to avoid an actual or potential conflict of interest. While the Bank has no desire to interfere with the private lives of its employees, or their off-duty conduct, the Bank is responsible for and intends to promote a workplace environment that is free from harassment and discrimination or even the appearance of the same. Therefore, employees must disclose to the Human Resources Department any familial or romantic relationships with any applicants (including contractors/consultants) or fellow employees. Managers and supervisors also must disclose to the Human Resources Department familial or romantic relationships of which they become aware.

Failure to abide by this policy will result in disciplinary action, up to and including termination.

Employee Referrals

The Bank is always interested in qualified applicants, and we feel one of our better sources of recruitment is our employees. For that reason, we urge our employees to refer applicants to us.

Employee Referral Bonus - Please refer to Employee Incentives under the "Benefits" section of this handbook.

Hiring Practices

The Bank recognizes its responsibility to its current staff and the community in which it operates. In order to satisfy this responsibility and to encourage the growth of employees, it is the policy of the Bank to try to fill positions internally by posting job vacancies to offer current staff promotion and transfer opportunities. Any external search may occur concurrent with the internal review of candidates to broaden the search and more rapidly find candidates with job-related qualifications.

The Bank uses many sources of job applicants: referrals by present staff members, educational institutions, cooperative education programs, advertising, employment agencies, and executive search firms. Job vacancies are listed on the Bank’s website – www.applebank.com.

Transfers

The Bank reserves the right to transfer an employee to another location (or position) for the benefit of the Bank and/or the employee. Said transfer may be for a limited period of time, to assist during a shortage of staff at another location, or may be for the duration of a staff member's employment with the Bank. Whenever possible, the Bank will attempt to give an employee adequate notice of such transfers. Refusal to accept a transfer may result in disciplinary action up to and including termination.

Employees may request a voluntary job transfer. However, to be eligible for a voluntary transfer, employees must be able to meet the requirements of the new position, must have held their current position for at least six months, must have a satisfactory performance record, and must have no adverse disciplinary actions during the same time period.

Job Postings

The Apple Bank Job Posting program is available to all employees who have completed 6 months of service in their present position and are not on corrective warning.

The primary purpose of this program is to enhance career opportunities by providing employees with the opportunity for diversified career development. Whenever possible, new and vacant positions will be filled from within the Bank.

Available jobs are posted on the Bank's website – www.applebank.com or you can access the list through the intranet, AppleNet.

If you are interested in applying for a posted position, complete the online application. If you are qualified, an interview will be arranged. You should discuss your career plans with your department head.

New Hires

Introductory Period

The introductory employment period for new employees is normally ninety (90) days. It is intended as a period of learning adjustment and an opportunity for the Bank to evaluate the new employee's suitability.

At the end of the ninety (90) day introductory employment period, the employee's supervisor/manager will review the employee's work performance and formally establish that phase of the initial employment period has been completed. This introductory period can be extended at the discretion of the employee's supervisor/manager, in agreement with senior management and Human Resources.

The introductory employment period does not alter an employee's at-will employment relationship with the Company. Thus, an employee is not guaranteed employment for the entire duration of the introductory employment period. Similarly, completion of the introductory employment period does not entitle an employee to a permanent job or guarantee employment for any particular duration. Supervisors/managers must consult with senior management and Human Resources prior to terminating an employee's employment during the ninety (90) day introductory employment period.

Verification of Employment Application

Falsification of any information - including but not limited to misstated qualifications, education and prior job experience - that was given on an employment application or resume may be cause for immediate discharge.

The Bank employs only individuals who are authorized to work in the United States and does not unlawfully discriminate on the basis of citizenship, citizenship status or national origin. In compliance with applicable law, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present specified documentation establishing identity and employment eligibility within three (3) business days after beginning work. Former employees who are rehired must also complete the form if they have not completed an I-9 within the past three years, or if their previous I-9 is no longer retained or valid. Failure to comply with this requirement or submission of forged, fraudulent, expired or otherwise inappropriate documentation will result in withdrawal of the offer of employment or termination of employment.

Performance Appraisal

The continued success of Apple Bank depends on the full and effective use of the abilities of all employees. The Bank's objective is to maintain an environment that encourages the personal and professional growth of employees in all divisions and branches. Apple Bank has assigned top priority to this objective.

Performance Appraisal

The Bank recognizes the importance of performance appraisals to effectively and objectively measure work performance, help determine salary, increases and promotions, and employment decisions. Employees will have their work judged by fair standards in order to receive appropriate feedback, to improve themselves, and to appreciate the fairness of management decisions.

While the performance appraisal you receive will serve as a factor in any possible pay increase considerations, the appraisal is primarily designed to assist you in

better understanding how well you have performed your job and what you may need to do to attain greater success and advancement in the future. It is not a guarantee of a raise or continued employment. Salary adjustments at the Bank are based on job performance, Bank-wide performance, competitive salaries at other banks, and on other factors, in the discretion of the Bank's management.

Performance Appraisal System

All employees will have a written review and discussion of your performance conducted by your supervisor and/or department head on an annual basis. Special circumstances may prompt a review in a shorter period. Under all circumstances, however, you will have every opportunity to comment in writing on any part of the evaluation covered.

Appraisals will typically include a plan for improvement and/or opportunities for developing new skills and capitalizing on strengths. All performance appraisals are subject to review by Human Resources.

Employee Files

Maintenance of Personnel Files

The Bank maintains an employee file on each employee. These files contain documentation regarding performance appraisals, disciplinary notices and other papers regarding your employment with the Bank.

Disclosure of Employee Information

Employees must refer all requests for information about a current, retired, or terminated employee to Human Resources.

Information will also be given in response to duly authorized requests from law enforcement agencies, including investigations, summonses, subpoenas, and judicial orders.

Employee Access

An employee during the term of his or her employment only may examine his or her employment record in the presence of a Human Resources representative. If you are interested in reviewing your employee file, contact Human Resources to schedule an appointment. However, you may not remove or copy any item from the file.

The Bank reserves the right to exclude from inspection any papers from an employee's personnel file prior to the employee's review. Records exempt from inspection by an employee include: potential job assignments or predictions of future salary; personnel planning information; security records; employment

references; and, information about another employee held for some reason in your file.

Updating Personnel Records

It is important that your personnel records be kept up-to-date for information needed in emergencies and for benefits administration. Your supervisor and/or the Human Resources Department should be notified of a change of any of the following:

- Legal Name
- Home address
- Home and/or cell phone number
- Marital status
- Family status (only if relevant to your participation in Bank-sponsored insurance benefits)
- Emergency Contact Person
- Number and names of dependents (only if relevant to your participation in Bank-sponsored insurance benefits)
- Change of beneficiary
- Military or draft status (only if relevant to your participation in Bank-sponsored insurance benefits)
- Exemptions on your W-4 tax form
- Professional Licenses

You must use the Employee Profile Update in ADP to make changes to your personal information.

Safety & Security

Safety and Health

The Bank is committed to providing a safe and healthful working environment. In this connection, the Bank makes every effort to comply with relevant federal and state occupational health and safety laws and to develop operations, procedures, technologies and programs conducive to such an environment.

The Bank's policy is aimed at minimizing the exposure of its employees, customers and other visitors to our facilities to health or safety risks. To accomplish this objective, all employees are expected to work diligently to maintain safe and healthful working conditions and to adhere to proper operating practices and procedures designed to prevent injuries and illnesses.

The responsibilities of all employees in this regard include:

1. Exercising maximum care and good judgment at all times to prevent accidents and injuries;
2. Reporting to supervisors and seeking first aid for all injuries, regardless of how minor;
3. Reporting unsafe conditions, equipment or practices to supervisory personnel;
4. Observing conscientiously all safety rules and regulations at all times;
5. Notifying supervisors before the beginning of the workday of any medication they are taking that may cause drowsiness or other side effects that could lead to injury to them and their co-workers.

If an injury is sustained in the course of your work for the Bank, you must immediately report the injury to your supervisor and complete the necessary Workman's Compensation form found on Applenet in the Benefit Forms Section.

Identification Cards

Identification cards are issued to staff members upon employment for their exclusive use while employed by the Bank. Under no circumstances are they to be lent to other staff members or persons outside the Bank. Please carry this card with you at all times, and notify your Department Head immediately if your card is lost or stolen. Identification cards are the property of the Bank and must be surrendered upon termination of employment.

Security

All employees must adhere to all security procedures outlined by their supervisor and in any operational security manual.

Medical Procedures

The Bank may require current employees to undergo medical examinations when (1) the Bank has reason to believe that an employee's ability to perform the essential functions of the job are impaired by a medical condition; or (2) the Bank is concerned an employee will pose a direct threat to the safety and security of themselves, other employees, or the public due to the medical condition; or (3) the Bank is engaging in a cooperative dialog to determine whether a reasonable accommodation should be provided for the employee.

The Bank may require a medical examination when an employee who has been on leave for a medical condition seeks to return to work if the Bank has a reasonable belief that an employee's ability to perform essential functions of the job may be impaired by a medical condition or that they may pose a direct threat due to a medical condition. Any inquiries or examination, however, will be

limited in scope to what is needed to make an assessment of the employee's ability to work. The Bank reserves the right to require a second medical opinion regarding a doctor's certification of an employee's ability or fitness to return to work.

An employee who becomes ill on the job or suffers any work-connected injury, no matter how minor, must report it to his or her supervisor, who in turn will report it to the Human Resources Department immediately to be recorded for insurance purposes.

Any medical information obtained by the Bank will be kept confidential and in separate medical files to avoid unnecessarily disclosing an applicant or employee's private medical documents and to ensure that managers and other employees are not accidentally given access to the information.

Work Rules & Regulations

Work Rules

Policy Statement

The job performance and personal conduct of each employee reflects directly and indirectly upon the reputation of our Bank. Therefore, it is important that each member of the staff adheres to established policies and ethical behavior at all times. In addition to the practice of sound judgment and conscientious discharge of duties, the following rules are set forth to maintain the standards of our Bank. These rules are examples of some, but not all, rules.

Because these rules are of utmost importance to you, be sure to familiarize yourself with them immediately. You will be expected to understand and to observe them all.

Violation of any of these rules will lead to disciplinary action, up to and including termination, based upon the circumstances of the individual case. Disciplinary action may include verbal warnings, written warnings, performance improvement plans (PIP), probation, suspension and/or discharge, depending upon the severity and the nature of the infraction and your individual work/disciplinary record.

Work Rules

As an integral member of the Bank, you are expected to behave professionally and appropriately at all times.

This list is not comprehensive. Since it is impossible to list every situation, the absence of an illustration from this list will not prohibit the Bank from taking disciplinary action, up to and including immediate dismissal for other inappropriate actions, when the Bank believes, in its sole discretion, such action is warranted. These guidelines do not in any way alter your at-will relationship with the Bank nor do they constitute a contract of any kind. This means the Bank may terminate your employment at any time for any reason with or without cause or notice.

The Bank expects you to follow rules of conduct that will protect the interests and safety of all employees and the Bank. Types of behavior and conduct the Bank considers inappropriate and that could result in disciplinary action, up to and including your termination, include, but are not limited to:

- Failing to comply with any rules and regulations established by the Bank, including, but not limited to, policies covered in this section.

- Failure to participate in a Bank investigation or provide complete candor or honesty during an investigation (further details on a Bank investigation are provided in the Apple Bank Code of Conduct).
- Failing to abide by safety rules and policies.
- Failure to report an accident.
- Negligence or any careless action that endangers the life or safety of another person.
- Possession, use or being under the influence of controlled substances, alcohol or illegal drugs, except that nothing in this policy or this Handbook is intended to discriminate against Certified Patients, as that term is defined in the New York Compassionate Care Act, solely for the certified medical use of marijuana, and the Company will reasonably accommodate any such Certified Patients to the extent required by law. Please note, however, that any such employees remain prohibited from performing their employment duties while impaired by marijuana or any other controlled substance.
- Fighting on Bank premises, threat of bodily harm to others while on Bank property or any other act that may interfere with the safe and/or efficient operation of the Bank.
- Unexcused and/or excessive absences or tardiness; unauthorized absence from your work area during work time; interfering with the work of others; sleeping or any other nonproductive behavior during work time.
- Violation of the Bank's Equal Employment Opportunity and Anti-Harassment Policy (e.g., telling sexist or racist jokes, making racial or ethnic slurs, threatening or insinuating any person is required to submit to sexual advances).
- Gambling on Bank premises.
- Selling merchandise, soliciting financial contributions, or soliciting for any other cause during working time; and if not on working time (e.g., on lunch or breaks) soliciting other employees who are on working time for any cause.
- Misappropriation, theft or unauthorized possession of Bank property or the property of fellow employees; unauthorized possession, misappropriation, or removal of any Bank property, including documents, from the premises without prior permission from management.
- Dishonesty: Misappropriation of Bank or customer funds; unauthorized use of Bank or customer funds; falsifying reports or Bank/customer records; falsifying time records.
- Willfully or carelessly destroying or damaging material or equipment owned by the Bank, another employee or a customer.

- Unsatisfactory job performance.
- Insubordination, including refusal to follow directions or perform assigned work, sleeping on the job, loafing or loitering, leaving the premises or post without permission.
- Interfering with or obstructing the performance of an investigation by Bank officials.
- Possession of firearms, weapons or explosives on Bank premises.
- Disclosing trade secrets or confidential Company information to competitors or other organizations or to unauthorized Company employees.
- Direct or indirect distribution of company identification to unauthorized personnel; the failure to properly produce or display Company identification, i.e. name tags, passes, etc.
- Bullying of co-workers, customers or other persons who have business on the Bank premises.
- Any abuse of your Apple Bank free checking account or line of credit, including the cashing of checks without sufficient funds.
- Concealment of material information, errors or mistakes.
- Use of obscene, abusive, threatening or intimidating language to a supervisor, customer, guest, or employee of the Bank, either on or off duty.
- Creating offensive, inappropriate or unsanitary working conditions, such as graffiti and littering, etc.
- Misusing or abusing the Bank communication systems, including electronic mail, computers, Internet access, and telephones.
- Smoking where prohibited by local ordinance or Bank rules.
- Posting, removing or altering notices on any bulletin board on Bank premises without the permission of a senior officer.
- Violating or abusing sick leave rules and procedures, including, but not limited to, falsifying reasons for absence, failing to provide required or requested documentation certifying medical basis for absence or failure to provide timely notice of absence to your supervisor or department head.
- Utilizing company email for non-business related purposes including sharing personal views or engaging in non-business related activities.

Violence and Hostility in the Workplace Policy

The Bank prohibits workplace violence and hostility. Consistent with this policy, acts or threats of violence, including intimidation, bullying, harassment, and/or coercion, which involve or affect the Bank or which occur on the Company property will not be tolerated.

Specific examples of conduct which may be considered threats or acts of violence include, but are not limited to, the following.

- Hitting or shoving an individual.
- Threatening with harm an individual or his or her family, friends, associates, or property.
- Destroying or threatening to destroy the Bank's property or property of any employee, tenant or guest.
- Making harassing or threatening phone calls or sending harassing letters/email, text/voice messages or other electronic messages via social networking sites.
- Harassing surveillance or stalking (following or watching someone), including internet stalking and harassment. Unauthorized possession or inappropriate use of firearms, weapons or narcotics.

The Bank's prohibition against threats and acts of violence applies to all persons involved in the Bank's operation, including but not limited to personnel, contract, interns and temporary workers and anyone else on Bank property. Violations of this policy by any individual on Bank property will lead to disciplinary action, up to and including termination and/or legal action as appropriate.

Every employee is encouraged to report incidents of threats or acts of physical violence of which he or she is aware. The report should be made to your direct supervisor or Human Resources Department or the police, depending on the circumstances of the situation.

No employee will be subjected to any form of retaliation for reporting an incident of violence or hostility, or for participating in an investigation by the Bank or its representatives into allegations of such conduct. Additionally, all employees have a duty to cooperate in connection with any investigation being conducted. Individuals who violate the Bank's Violence and Hostility in the Workplace Policy will be subject to disciplinary action, up to and including termination of employment.

No Video or Audio Tape Recordings

The purpose of this policy is to eliminate a chilling effect to the expression of views that may exist when one person is concerned that his or her conversation with another is being secretly recorded. This concern can inhibit spontaneous and honest dialogue especially when sensitive or confidential matters are being discussed.

The Bank, its customers and employees have an expectation of privacy in their images and statements. Accordingly, unless prior approval is received, employees are prohibited from recording conversations, phone calls or other activities involving employees, customers, and business partners.

An employee who violates the Policy will be subject to appropriate disciplinary action, up to and including termination.

Absenteeism and Tardiness

Absenteeism

Employees who are frequently absent from work, or who are not present when the workday begins, reduce their own productivity and lower the morale of their fellow workers. Regular timely attendance is an essential requirement of your employment at the Bank.

If you are absent for any reason, be it because of business, illness, or some other absence, you must inform your supervisor of your absence as far in advance as possible but no later than ½ hour before your scheduled starting time. Notice should be provided to your direct supervisor. In the event you cannot reach your direct supervisor, please advise the Human Resources Department of your absence.

The Bank may request a doctor's note if you are absent more than three (3) consecutive days in length.

There are times when an employee must leave work due to illness or personal reasons. If an employee must leave prior to the end of his/her shift due to illness, then the corresponding number of hours (minimum of 4 hours) remaining in his/her shift will be deducted from his/her sick allowance and count towards and be recorded as sick-time. Exempt employees who have exhausted their paid time off may be docked pay for full day absences. Non-exempt employee who have exhausted their paid time off, will not be paid for time absent. Employees who have excessive absences in excess of the Bank's leave policies may be subject to disciplinary action depending on the circumstances.

Employees should attempt to schedule medical appointments during non-work hours or at the beginning or the end of the work day to the extent feasible. Personal appointments should be scheduled outside of working hours.

Tardiness

The Bank expects its employees to arrive on time and be ready to work at their scheduled times. The Bank requires all employees who believe they may be late to call their supervisor as soon as practicable. Non-exempt employees who are late will not be paid for the time they do not work. Excessive and continual lateness may be cause for dismissal.

Employees are considered to be late after 15 minutes from scheduled start time. Managers may set start times based upon the unique needs of their branch or department. Abuse of this privilege will lead to disciplinary action.

No Call/No Show

In order to run an efficient operation, it is necessary for the Bank to have as much notice as possible if an employee is going to be late or calling out for the shift. The Bank has zero tolerance for No Call/No Shows. It is your responsibility to notify the Company if you are going to be tardy or absent. A No Call/No Show shall be defined as an employee that does not come in for his/her shift and does not call prior to the beginning of the shift. Any violation of this attendance policy will result in discipline, up to and including termination of employment. Absences from work without contacting the Bank for three (3) or more days shall be considered job abandonment and will result in immediate termination.

Recording Absences on Time Sheets

When you are absent, (exempt and non-exempt employees) the absence must be entered on the electronic attendance program. Use the appropriate code to indicate the type of absence. Any changes to the record must be made before the lock-out period of the following week.

Drug & Alcohol Policy

Policy Statement

The Bank's ability to maintain a safe workplace and to promote high standards of employee health is directly dependent upon the establishment and maintenance of a workplace that is free from the adverse effects of drug use and alcohol abuse.

As an employee of the Bank, you are required to be fit-for-duty at all times during the Work Day¹ or while on Bank premises.²

¹ The term "Work Day" includes, in addition to actual working time, meal and other breaks if you return to work after such breaks, regardless of whether you are on the premises of the Bank during such time and regardless of whether you are paid for such time.

² The term "Bank premises" includes the buildings, parking area, surrounding grounds and motor vehicles owned or leased by the Bank.

An employee with an alcohol and/or drug abuse problem is encouraged to take advantage of counseling, treatment and rehabilitation before the problem impacts on job performance and/or the safe and efficient operation of our facilities.

Violation of the rules outlined below will directly affect the individual's continued employment with Apple Bank.

Sale/Use/Possession

The sale, distribution, unauthorized use or possession of alcohol, illegal drugs and/or illegal substances or the paraphernalia associated with such on Bank premises while on Bank business is prohibited and will lead to action up to and including discharge.

Reporting to work under the influence of alcohol, illegal drugs and/or illegal substances will be grounds for disciplinary action up to and including termination of employment.

Prescription drugs or legal drugs that could impair functioning are also a cause for concern if they affect the ability of an employee to work safely. It is the responsibility of an employee to review with appropriate department personnel any work precautions that should be observed while taking the prescribed drug.

Nothing in this policy or this Handbook is intended to discriminate against Certified Patients, as that term is defined in the New York Compassionate Care Act, solely for the certified medical use of marijuana, and the Bank will reasonably accommodate any such Certified Patients to the extent required by law. Please note, however, that any such employees remain prohibited from performing their employment duties while impaired by medical marijuana or any other controlled substance

Screening/Searches

The Bank may require alcohol and drug screening and/or searches when it has reason to believe an employee may be under the influence of illegal drugs or alcohol during the workday or while on Bank premises.

Refusal to submit to and participate in any such screening test will result in disciplinary action up to and including termination of employment. Any positive test result for illegal or unauthorized drugs or alcohol use is grounds for immediate termination in the sole discretion of the Bank, to the extent consistent with law. By your employment and continued employment by the Bank, you consent to a screening test for alcohol and/or illegal or unauthorized drugs in accordance with these guidelines.

The Bank reserves the right to determine that an employee is unfit-for-duty without regard to the need for a drug and/or alcohol test.

Dress Code

Standards

Apple Bank strives to maintain an atmosphere of professionalism throughout the Bank. Part of that is dependent upon the appearance of our employees, who shall look neat and professional at all times.

The following are the Bank's mandatory dress code guidelines. You are expected to abide by them at all times.

If an employee requires modification of this policy to accommodate a sincerely held religious belief or if a qualified employee with a disability requires an accommodation to this policy, the employee should contact the Human Resources Department. The Bank will engage in an interactive process and grant reasonable accommodations that do not impose an undue burden on the Bank.

Appropriate Attire:

- Employees should be well groomed, neat and professional in appearance. Clothing should be tasteful and appropriate for the workplace, clean and fresh smelling.
- All pants should be of appropriate color and style.
- Dresses and skirts, which are of business appropriate length and fit, are acceptable.

Inappropriate Attire:

- T-shirts, jeans, leggings, sweats, sun dresses, denim clothing, tight fitting or oversized clothing, flip flops, and/or sneakers are **not** permitted anywhere in the Bank during working hours.
- Excessive ear piercings, other visible body piercing, facial piercing (except for religious reasons), tongue piercing, or excessive jewelry is **not** permitted.
- Tattoos, other than small, discreet ones, **must** be covered.

Exception to Dress Code (Non-Branch Staff Only)

Departure from conventional business attire is allowed on those days designated "dress down" or "casual dress" by the senior management of the Bank. You are expected to adhere to the separately issued guidelines for those days.

Failure to Comply with Dress Code

An employee who does not arrive for work in acceptable business attire may not be permitted to work and is subject to corrective action, as follows:

First Offense

Employee will be given a warning and be asked to go home and change and return to work.

Second Offense

Employee will be given a second warning and be asked to go home and change and return to work. Non-exempt employees may not be paid for time away from work.

Third Offense

Employee will be subject to termination on the grounds of insubordination.

Smoke-Free Workplace

Policy Statement

To maintain a safe and comfortable working environment and to ensure compliance with state and local laws regulating smoking in the workplace, smoking by employees or persons who do business with the Bank in the Bank's offices and facilities is strictly prohibited. Smoking is prohibited in all areas of the Bank's premises, including without limitation, interior offices, hallways, common areas, lavatories, elevators, elevator lobbies (freight and passenger), fire exit corridors and stairs, balconies and lobbies. The prohibition on inside use of tobacco includes cigarette and pipe smoking, as well as chewing and/or dipping tobacco.

Complaint Procedure

If you observe or become aware of any individual violating this policy, you should immediately report the violation to any officer in the Human Resources Department. Human Resources will promptly conduct an investigation and take appropriate remedial action, up to and including recommendation of discharge, to ensure compliance with the Bank's smoking policy.

No Retaliation

No employee shall be retaliated against for making a complaint pursuant to this policy. Retaliation is a serious violation of this policy and should be reported immediately. Any person found to have retaliated against another individual for reporting smoking violations will be subject to appropriate sanctions, up to and including discharge.

Social Media Policy

Background

For purposes of this policy, “social media” includes various modes of publishing content online, including to your own or someone else’s internet forum, blogs & microblog, online profile, wiki, podcast, video, email, instant message, etc. A nonexclusive list of examples includes: LinkedIn, Facebook, Instagram, , YouTube, Twitter, Pinterest, Tumblr, Yelp, , Yahoo groups, TikTok, Snapchat, Parler, and WhatsApp. As other forms of social media are developed, this policy will apply to them, too.

Apple Bank has a Facebook page, where the public may view information posted by the Marketing Department, comment on those posts, provide a review, access the Apple Bank and partner websites and send messages to Apple Bank. Apple Bank also has a presence on LinkedIn and Twitter. Like Facebook, the Bank’s LinkedIn page provides information posted by the Marketing Department and the public can comment on our posts. The Bank’s Twitter account has been set up primarily for the purpose of responding to customers and other members of the public who send us messages.

Personal Social Media

You may not engage in any social media use during your working time, unless such social media use is an approved part of your job and on behalf of the Bank. You may engage in personal social media use during non-working time, such as a break, by using your own device and personal social media accounts. Do not use your work email address, unless the social media use is an approved part of your job and the social media use is on behalf of the Bank. If you engage in social media activities for personal purposes, do not state that you are speaking on behalf of the Bank. If there is any reasonable possibility of confusion, you should include a statement to the following effect when engaging in personal social media: “The views expressed in this blog/post/tweet/entry/etc. are mine alone and do not reflect those of my employer.”

If you have been advised by your supervisor that social media is an approved part of your job: (a) your use of social media is subject to the conditions established by the Bank and the law; (b) the Bank owns all postings or other social media communication that you create as a part of your job, such as posts and tweets; and (c) you have no expectation of privacy with regard to the content of social media content you create or post on behalf of the Bank.

Bank-Reserved Rights

Apple Bank reserves the right to establish corporate presences in its name on Facebook or any other social media outlets. Marketing and Executive Management will determine when and if such presences are in the interest of the

Bank. Marketing is the only group authorized to create these presences. Employees may not establish “Apple Bank” sites or handles anywhere online.

All Social Media (professional and personal alike)

The following policies and rules apply to all social media, whether personal or professional. For example, these rules obviously apply if you engage in social media on behalf of the Bank. However, these policies and rules also apply to personal social media use that you may engage in solely for your own personal purposes off Bank premises using your own personal device and without accessing the Bank’s Internet server.

1. All social media is subject to other policies contained in the Bank’s Employee Handbook, including, but not limited to: Equal Employment Opportunity and Anti-Harassment Policy, Conflicts of Interest, Violence and Hostility in the Workplace, and Code of Conduct.
2. In particular, the Bank’s anti-harassment policy applies to all social media. You may be subject to discipline, up to and including discharge, if you post on any form of social media any content that makes fun of, is stereotyping or disparaging or is otherwise harassing with regard to age, gender, pregnancy, race, color, religion, national origin, citizenship, disability, handicap, marital status, sexual orientation or any other protected group, if such inappropriate/offensive content is about the Bank’s employees, customers or anyone else with whom we do business. It is no defense that the content was intended to be “private.”
3. Postings which reference the Bank or reference fellow employees, guests, suppliers or anyone else who works for or with the Bank must not contain statements, photographs, video or audio that reasonably could be viewed as malicious, obscene, threatening, intimidating, harassing or bullying. Any posts that could contribute to a hostile work environment on the basis of any protected characteristic are strictly prohibited.
4. You must maintain the confidentiality of the Bank’s trade secrets and private or confidential information about its operations as noted in the sentences immediately below. Trade secrets may include information regarding the development of systems, processes, know-how, technology, and Bank customers and other confidential, proprietary and/or trade secret information not generally known by or readily accessible to the public. Do not post any information of this nature on social media.
5. You must monitor social media sites over which you have control of the content and promptly remove any prohibited postings; for example, a posting that includes racist jokes.
6. If you engage in social media use for personal purposes, do not state that you are speaking on behalf of the Bank. If there is any reasonable possibility of confusion, you should include a statement to the following effect when engaging

in personal social networking: “The views expressed in this blog/post/tweet/entry/etc. are mine alone and do not reflect those of my employer.”

7. Refer Product/Service Questions to Our Website applebank.com, or CustomerLine. If employees receive questions about Bank products or services, they should refer correspondents to applebank.com, where product and service information has been reviewed by Legal, Compliance, Marketing and individual product areas. If the product or service question is immediate, employees may refer the correspondent to the Bank subject matter expert, if known, or to CustomerLine at 1-914-902-2775. Visit applebank.com/hours for current CustomerLine service hours.

8. Refer News Media and Other Questions to Marketing. Employees should not comment on or attempt to answer questions about Bank strategies or positions. They should refer news media or other questions to the Bank’s Marketing Director. Marketing will work with Executive Management to follow up as appropriate.

Complaints and Concerns

If you believe that you have seen any improper postings (for example, a sexist or racist posting by another employee), please use the complaint procedure in the Bank’s Equal Employment Opportunity and Anti-Harassment Policy.

We recognize that we are not perfect and that there will be problems from time to time. We encourage you to use one of the Bank’s internal dispute resolution vehicles so that we can try to resolve whatever concerns you may have.

Corrective Action

Violations of this policy will result in appropriate corrective action, which may include discipline, up to and including discharge.

Request or Demand for Confidential Information

This provision applies during your employment with the Bank as well as following the termination of your employment with the Bank:

- In the event you receive a request or demand, orally, in writing, electronically or otherwise, for the disclosure or production of confidential information, you must notify immediately the Bank’s General Counsel by email and provide a copy of the request or demand as well as any and all documents potentially responsive to the request or demand. You shall wait a minimum of ten (10) days (or the maximum time permitted by such legal process, if less) after

sending the letter before making a disclosure or production to give the Bank time to determine whether the disclosure or production involves confidential information, in which event the Bank may seek to prohibit and/or restrict the production and/or disclosure and/or to obtain a protective order with regard thereto.

- - Notice is not required where disclosure is required by any governmental agency that directs you to refrain from notifying the Bank or with regard to matters before the Securities and Exchange Commission.
- - This obligation applies to all requests or demands from attorneys or others who do not work for a government agency or entity.

Conflicts of Interest

Employees have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. These guidelines are set forth in the Bank's Code of Conduct, which is provided with this Handbook. Each employee is required to familiarize him or herself with the Code of Conduct and be in compliance with the Code of Conduct at all times.

Communication Procedure

The Bank encourages open lines of communication between management and staff. When a problem arises, it can best be resolved through immediate and frank discussions.

By following the procedures outlined below, you are provided the opportunity to resolve misunderstandings and complaints.

1. Discuss the matter with your immediate supervisor or department officer. In most instances, a satisfactory solution can be reached promptly at this level.

When the matter personally involves your supervisor or department officer, you may proceed to the next person in authority.

If the matter is of a personal or confidential nature, or if you are unsure of the next level of authority, you can discuss it directly with a Human Resources Officer.

2. If the matter is not resolved to your satisfaction, you are encouraged to discuss it with your Department Head and/or Division Head.
3. If you feel you have not received fair consideration at this point, you may present your case directly to a Human Resources Officer.

Customer Service

YOU ARE THE BANK!

A satisfied customer is the lifeline of our business. Providing quality service and satisfying our customer will lead to expanded relationships with existing customers. Also, it will attract new customers to the Bank.

This is where you come in! In the customer's eyes, you are the Bank and what you say and do to make that first good impression will make both you and the Bank winners.

In many ways you influence those you meet in person and talk with on the phone. You will enjoy your new position because it encourages you to be involved as a caring employee. Try to develop a relationship with the customer, rather than just perform a task, and then build on those relationships.

A satisfied customer is crucial to our success. Once you have achieved customer satisfaction, ask how it can be enhanced. Our goal is to create positive customer experiences so that every Apple customer is pleased to find his/her expectations surpassed. We can achieve this by adding value to our service whenever possible.

Apple Bank has committed itself to provide extraordinary customer satisfaction and you are the key ingredient that can make this happen. To our customers, you are the Bank.

Telephone Courtesy

Telephone courtesy is essential. Our customers judge us on the basis of telephone conversations. Good telephone manners can greatly enhance the Bank's success.

Remember to answer all calls promptly, use proper identification, make inquiries tactfully, give your undivided attention to the call and treat the telephone as one of your most valuable business tools. If you cannot help the caller, refer him/her to the appropriate person. If the appropriate person is not available, take the caller's name and number and deliver the message when the person returns.

Client Communication

It is imperative that all employees ensure that all customers are able to understand and comprehend fully the subjects being discussed. All employees should defer to speaking to customers of the Bank in English and should also read and write in English proficiently in order to communicate with customers, unless the customer expresses an interest to communicate in their native language.

Personal Calls

Personal calls, both incoming and outgoing, are discouraged. Personal calls that must be made or received during business hours are permitted if they are held to

a minimum and do not interfere with the employee's work. Make such calls during breaks or lunchtime.

If a personal call is made outside your calling area (long distance), you are required to pay the cost of the call, when the bill arrives. It is your obligation to alert your department head that you have incurred personal long distance charges.

Solicitation/Distribution

Non-employees are prohibited from distributing material or soliciting employees on the Bank's premises at any time.

Solicitations of any kind by an employee to any other employee while either person is on working time, is strictly prohibited.

Distribution of advertising material, handbills, printed or written literature of any kind in working areas of our Bank is prohibited at all times.

Employees are NOT permitted to post any material on the Bank's bulletin boards.

Solicitation includes, but is not limited to, the sale of candy or cookies for Scouting, schools, or charitable organizations.

In addition, charitable organizations, religious organizations, etc. should not be permitted to solicit contributions in person on Bank property. Persons soliciting donations at a branch should be provided with the address for the Bank's Financial Division and instructed politely to mail their requests there. For all other departments and locations, contribution requests should also be handled through the mail.

Maintenance of Work Area

Work areas must be maintained in a neat and orderly manner. Employees should not eat or drink at their workstations during Bank hours as this presents an unbusinesslike appearance and a potential hazard. At the end of the day, files should be replaced and a general "clean-up" of all work areas should be accomplished before employees leave.

Personal belongings should be placed in areas that have been designated for such articles and not left at workstations. Under no circumstances should purses or other valuables be left unattended on desktops or in plain view. The Bank is not responsible for any employee's personal property; accordingly, please be sure that you take steps to protect your property.

Corrective Counseling

Although your employment with the Bank is "at-will" (that is, either party can terminate the employment relationship at any time, for any or no (legal) reason, with or without cause and with or without prior notice), your failure to meet the Bank's expectations may result in informal coaching and/or formal Corrective Counseling.

Corrective counseling may include none, some or all of the following steps:

Step One	Verbal Warning
Step Two	Written Warning
Step Three	Final Warning³
Step Four	Discharge

Because unsatisfactory job performance and unacceptable conduct have different levels of seriousness, Corrective Counseling may be initiated at an intermediate level or a Step or Steps of Counseling may be bypassed.

Depending on the facts related to the specific incident, corrective counseling may result in an employee being placed on probation for up to a period of ninety (90) days.

In some cases a Performance Improvement Plan (PIP) may be warranted. Refusal to sign a PIP to acknowledge its receipt and expectations for job performance may result in further disciplinary action up to and including termination.

³ In conjunction with the Final Warning, exempt and non-exempt employees are subject to unpaid suspensions. Exempt employees may be suspended without pay only in full day increments and only for violations of workplace conduct policies applicable to all employees, such as the Bank's Equal Employment Opportunity and Anti-Harassment Policy, and not for performance or attendance issues.

Wage & Salary

Classifications of Employment

Employment Classifications

For purposes of salary administration and employee benefits, the Bank classifies its employees as follows:

Regular Full-time Employees

Employees hired to work a schedule of at least 40 hours per week but no less than 32 hours and a four-day workweek, on a regular basis. Salary pay status. Eligible for benefits.

Regular Part-time Employees

Employees hired to work a schedule of more than 17 1/2 and less than 32 hours per week on a regular basis. Hourly pay status. Regular Part-time Employees are eligible for some benefits. See Part Time Policies and Benefits Publication for details.

Employees are also classified as either “exempt” or “nonexempt” for purposes of determining eligibility for overtime payments.

Nonexempt Employees

Nonexempt employees are employees who are required to be paid overtime, in accordance with applicable federal and state wage and hour laws. (See Overtime below)

Exempt Employees

Exempt employees are employees who are paid on a salary basis (meaning that subject to limited exceptions, they will not be docked for time not worked in a workweek in which they are providing services) and not required to be paid overtime, in accordance with applicable federal and state wage and hour laws. Exempt employees may include, but are not limited to, executives (certain managerial or supervisory employees), professional employees, outside sales representatives, and certain officers, directors, and others whose duties and responsibilities allow them to be “exempt” from overtime pay provisions as provided by the federal Fair Labor Standards Act (FLSA) and any applicable state laws.

All employees will be notified as to their status - exempt or non-exempt upon employment or change in job position.

Hours of Work

Hours of Work

The normal workweek for all Regular Full-time Employees consists of 40 hours per week; generally established on 5 working days in one week. The workweek starts at 12:01 am on Monday and ends at midnight on Sunday. However, individual department hours may vary. .

Meals & Break Periods

Regular Full-time Employees are entitled to a 45-minute per day lunch break. Employees are encouraged to take their full lunchtime and are required to take at minimum a 30 minute meal break per day. In no case may an employee work more than 6 hours without taking a lunch break. Lunch breaks are unpaid unless an employee works through lunch. Employees may not work through their lunch break except for emergency circumstances upon managerial approval.

Your immediate supervisor will advise you of the time of your lunch and break periods. Generally, lunch hours should fall between the hours of 11:00 a.m. and 2:00 p.m.

Employees **may** receive one 15-minute paid break period each day, provided it is not disruptive to business and has been coordinated with your supervisor.

An employee who works a shift starting before 11:00 a.m. and continuing later than 7:00 p.m. will be provided with an additional meal period of at least 20 minutes between 5:00 p.m. and 7:00 p.m.

Breaks for Nursing/Expression of Milk and Lactation Room

Pursuant to Section 206-c of the New York Labor Law, the Bank will provide reasonable unpaid break time or permit an employee to use her paid break time, if any, each day to allow an employee to express breast milk for her nursing child, for up to three years following child birth. This three-year limitation does not apply to employees who are working in New York City. The Bank does not require the employee to work while pumping. However, if the employee works while pumping, the employee will be paid at their regular rate for that time.

The Bank will provide accommodations to employees who pump during work hours. The Bank will designate a room as a lactation room for employees to use to express breast milk. The Bank will notify other employees that the room will be prioritized as a lactation room and may only be used for expressing breast milk during the time(s) when employees need the space and will post proper signage to ensure that it is free from intrusion and shielded from view of others while being used as a lactation room. The employees who need the room for pumping will be given priority use of the room and their pumping needs will determine the availability of the room for other purposes. The Bank will ensure that the room

can be locked from the inside so that the employee pumping can do so without intrusion. The Bank will ensure that the room is clean, free from intrusion, and meets as many of the following requirements as possible: contains at least one electrical outlet, a surface to place a pump and other personal items, and a chair; and is near running water and a refrigerator to store breast milk. If the room is unavailable for use as a lactation room when an employee needs it, the Bank will provide an alternative space for temporary use as a lactation room. Even if the room is available, an employee who wishes to pump at their usual workspace will be permitted to do this so long as it does not create an undue hardship for the Bank.

Employees may request a lactation accommodation by contacting the Human Resources department. A request may be made orally or in writing and should indicate that the employee will need accommodations for expressing breast milk at work. The Human Resources department will respond to a request for a lactation accommodation as quickly as possible but in no event more than five (5) business days after receiving such a request. In the event more than one employee needs to use the room to express breast milk, the Bank will discuss alternative options with all employees who use the space to determine what arrangement addresses their needs.

If the Bank believes that the lactation accommodation requested poses an undue hardship on the Bank, the Bank will engage in a cooperative dialogue and discuss reasonable alternatives with the employee to accommodate the employee's needs.

Recording Hours of Work

Each non-exempt employee is responsible for the correct recording of hours worked using the Bank's electronic **Time and Attendance program**. This information must be completed on a daily basis.

All non-exempt employees must record absences using the electronic attendance program.

You may not begin working before your scheduled start time or do any work after your scheduled stop time absent prior permission from your supervisor.

You must clock in before you do work of any kind. You may not do work of any kind before clocking in.

You must finish all of your work of any kind before you clock out. You may not do work of any kind after you clock out.

Non-exempt employees must clock out before and clock in after your 45-minute unpaid meal break. You may not do any work during your unpaid meal break. If you take less than a 45-consecutive minute meal break or do any work during

your meal break (for example, you are interrupted by a work call), please contact Human Resources so that the Bank can ensure that you are properly paid.

You should not clock in and out for short breaks (that is, less than 30 minutes) that the Bank may provide to you in its sole discretion.

If you do any work before you clock in at the beginning of the day or after you clock out at the end of the day, please contact Human Resources immediately so that the Bank can ensure you are properly paid.

Non-exempt employees may not do any work “off the clock.” No officer, manager or supervisor may require, encourage or suggest that a non-exempt employee work off-the-clock. If an officer, manager or supervisor requires, encourages or suggests that you work off-the-clock, please contact Human Resources immediately with the assurance that the Bank will neither engage in nor tolerate retaliation of any kind.

Absent an emergency, any non-exempt employee that performs unauthorized work before or after assigned work hours, during meal breaks, or at any other time, will be paid for such time. However, you may be subject to corrective counseling for working such additional time without authorization.

If you are an officer, manager, or supervisor and any non-exempt employee raises any concerns about pay, you must report this by calling Human Resources. You may neither keep the concern confidential nor resolve the concern on your own. If you are not sure whether you have a duty to report, play it safe and report.

Schedule of Work Hours

Regular work schedules are determined by your department or needs of the branch. There may be some variation in the daily schedule depending on the department or branch. However, you will be notified of any change as soon as possible.

Overtime

There may be occasions when you will be required to work overtime. Depending on the circumstances necessitating the overtime, you will be given as much advance notice as possible. Refusal to work overtime, despite advance notice, may result in disciplinary action.

Overtime Pay

If you are a non-exempt employee, you may be eligible to receive overtime pay at the rate of one and one-half (1½) times your regular rate of pay for hours worked over 40 in the same workweek.

All overtime must be authorized in advance by your supervisor. Unauthorized overtime may result in disciplinary action up to and including termination. Unpaid lunch hours during which no work is performed are not considered hours

worked for purposes of calculating overtime. Vacations, sick days and other time off will not be counted in determining actual hours worked for purposes of calculating overtime. Holidays will be counted only as outlined below.

Employees assigned to departments that do not follow a typical Monday through Friday schedule who are required to work a 6th day in a week defined as Monday through Sunday, will be paid at the rate of time and one-half (1½) for actual time worked on the 6th day, even if the total hours actually worked for that week do not exceed 40 hours.

Employees assigned to departments that do not follow a typical Monday through Friday schedule who are required to work a 7th day in a given week will be paid at the rate of two times their straight-time rate, even if the total hours actually worked for that week do not exceed 40 hours. Vacations, sick days and other time off will not be counted in determining 6th or 7th work days for purposes of calculating overtime. Bank holidays will be counted in determining 6th or 7th workday, but do not count towards calculation of hours physically worked over 40 in a workweek.

Employees assigned to departments that follow a typical Monday through Friday schedule who are required to work over the weekend will be paid at the rate of time and one-half (1½) for actual time worked on one weekend day and at the rate of two times their straight time rate for actual time worked on a second weekend day within the same workweek,

Under the “spread-of-hours” rule, non-exempt employees will be paid one (1) additional hour of pay at the minimum wage rate for every day on which they work more than 10 hours (this “spread” includes working time plus time off for meals and any off-duty time) or, on a split shift, where the number of hours between the start and end of the team member’s workday exceeds 10.

Exempt employees are not eligible for overtime pay.

Payroll & Paychecks

Method of Pay

Unless otherwise informed, all employees are paid every other Friday for the two-week pay period ending that Sunday. When a holiday falls on a normal payday, staff members will be paid on the day prior to the holiday.

All overtime hours worked during one pay period will normally be paid in the next pay period.

Employees are paid on their regular payday during vacations.

Paycheck Withholdings

Applicable federal, state and local income taxes, as well as federal Social Security and Medicare taxes, are withheld from each employee's paycheck.

- Optional withholdings include deductions for employee Plan benefit elections

Garnishment of Wages

The Bank is required to accept legal garnishments, notices of levies, and other court-ordered attachments of an employee's pay. An employee cannot be disciplined, discharged, or discriminated against because of garnishment action for an indebtedness proceeding or for an attachment or tax levy. Any action taken on behalf of the Bank with regard to garnishment will be in compliance with federal and state law.

Wage and Hour Policy and Complaint Procedure

It is the Bank's policy and practice to accurately compensate employees and to do so in compliance with all applicable federal, state and local laws. We make every effort to ensure our employees are paid correctly. In addition, the Bank does not make deductions from its employees' pay that are prohibited by law. Occasionally, however, inadvertent mistakes can happen. When mistakes do happen and are called to our attention, we will promptly investigate and make any corrections necessary. To ensure that you are paid properly for all time worked and that no improper deductions are made, you must record correctly all work time, review promptly your paychecks or direct deposit statements when received, and identify all suspected errors. If you believe a mistake has occurred or if you have any questions about compliance with the applicable laws, please use the reporting procedure outlined below.

Reporting Procedure

You are responsible for reviewing your pay stub for accuracy of payments and deductions. If you believe you are not being paid in accordance with applicable federal, state or local law, your pay has been subject to any improper deductions, or your pay does not accurately reflect your hours worked, or have any other concerns regarding your pay, you should immediately report the matter to the Human Resources and Payroll Department. Every report will be investigated and corrective action will be taken where appropriate. We will make every effort to expeditiously correct all payroll errors.

Zero Tolerance for Retaliation

The Bank is fully committed to complying with the federal, state and local wage and hour and wage payment laws. The Bank will not tolerate any form of retaliation against individuals who make a report regarding the payment of

wages, report alleged violations of this policy, or who cooperate in the Bank's investigation of such reports. Retaliation is unacceptable, and any form of retaliation in violation of this policy will result in disciplinary action, up to and including discharge.

Prohibited Conduct Respecting Timesheets

It is a violation of the Bank's policy for any employee to falsely log in or log out or alter another employee's attendance record to report hours not worked. It is also a violation of Bank policy for any employee or manager to request or instruct another employee to incorrectly or falsely report hours worked (whether under or over reporting working time). In addition, all employees are to login and out on their work computer. If you learn of any violation of this policy or if any manager or employee instructs you to (1) incorrectly or falsely report or record your hours worked, or (2) alter another employee's timesheets to inaccurately or falsely report an employee's hours worked, you should report it immediately in accordance with the reporting procedure outlined in our Wage and Hour Policy and Complaint Procedure.

Absence & Time Off

Policy Statement

Employees transferring from either full-time to part-time or part-time to full-time status in the calendar year will be entitled to vacation, personal and sick and safe days based on the status in effect at the time of transfer.

Employees must use all available paid time off before requesting unpaid time off.

Vacation

Apple Bank recognizes that vacations contribute to our employees' health and job effectiveness. Therefore, it is the Bank's policy to provide annual paid vacations for eligible employees and also to recognize and reward service with the Bank.

Eligibility

All Regular Employees, both full-time and part-time, are eligible for vacation time.

Vacation Year

The "Vacation Year" is based upon the calendar year beginning January 1 and ending December 31.

All vacation time for a Vacation Year must be taken no later than March 31st, of the following year. Any staff member who does not take his/her entire carry-over vacation time by such March 31st will forfeit said time unless they have written approval from their Division Head and Human Resources. The extension of carry over vacation time past March 31st is only approved when an employee has been asked by management to defer said time for the convenience of the Bank.

Full-Time employees are eligible to carryover up to 5 vacation days into the following year with a March 31st expiration date.

Part-Time employees are not eligible to receive carryover.

The Bank will not pay an employee for unused carry-over vacation days, except upon employment separation.

Comp and floating days issued at the Manager's discretion must be taken no later than March 31 of the following calendar year.

The Bank will not pay an employee for unused Comp and floating days. Scheduling of vacation is at the Manager's discretion.

Use of Vacation Time During Initial Year of Service

Regular Full-time and Part-time Employees do not receive their vacation time until after completing 3 months of service.

Amount of Vacation Time

Regular Full-Time Employees

Non-Officer Personnel:

If your start date is prior to April 1 of a calendar year, you will be provided with **10 days (2 weeks)** paid vacation for that calendar year. If your start date is on April 1 through September 30, you will be provided with **5 days (1 week)** of vacation. If your start date is October 1 through the end of the year, you will receive your yearly vacation allotment after 3 months. For example: if you start November 1st you will receive 10 vacation days on February 1st of the following year

Thereafter, you will be provided with **10 days (2 weeks)** paid vacation as of January 1 of the following year.

After completing **5** years of service, you will be provided with **3** weeks paid vacation each year.

After completing **15** years of service, you will be provided with **4** weeks paid vacation each year.

After completing **25** years of service, you will be provided with **5** weeks paid vacation each year.

Employees are eligible for the additional week of vacation **on** their anniversary date. The additional days will be prorated for the year in which it is earned.

Officer Personnel:

If your start date is prior to April 1 of the calendar year, you will be provided with **22 days (4 weeks and 2 days)** of paid vacation for that calendar year. If your start date is on April 1 through June 30, you will be provided with **10 days (2 weeks)** of paid vacation. If your start date is July 1 through September 30, you will be provided with **5 days (1 week)** of paid vacation. If your start date is October 1 through the end of the year, you will receive your yearly vacation allotment after 3 months. For example: if you start November 1st you will receive 22 vacation days on February 1st of the following year.

Thereafter, you will be provided with **22 days (4 weeks and 2 days)** of paid vacation as of January 1 of the following year.

After **25** years of service, you will be provided with **5** weeks paid vacation each year.

Employees are eligible for the additional days of vacation **on** their anniversary date. The additional days will be prorated for the year in which it is earned.

Part-time Employees

All Part-time employees who are regularly scheduled to work at least 17.5 hours will be provided with vacation time that reflects the Regular Full-Time vacation policy and the employees' regularly scheduled hours.

For Example: An employee who is regularly scheduled to work 25 hours per week and has been employed for 3 years will receive 50 hours of vacation time (25 hours per week x 2 weeks). An Employee who is regularly scheduled to work 25 hours per week and has been employed for 7 years will receive 75 hours of vacation time (25 hours per week x 3 weeks).

4-Day Full Time

Employees classified as 4-day exempt or non-exempt will be entitled to 80 percent of the vacation entitlement for regular full time employees.

Scheduling of Vacation

Vacations may be taken at any time during the year but must be scheduled to ensure the normal operating efficiency of the employee's department or branch.

Vacation schedules will be made in each department at the beginning of the year. Selection of vacation periods is on the basis of position and seniority.

Vacation Pay

Vacation pay for all employees is computed at the employee's regular rate of pay in effect on the last day worked prior to taking vacation.

Pay in Lieu of Vacation During Disability (STD)

An employee who receives at least 4 weeks of disability benefit (STD) may request up to 2 weeks' vacation cash out in half-day increments within a 12 – month period.

Vacation pay will **not** be given in lieu of a disability benefit.

Requests must be made to the Human Resources Department in writing.

Vacation Pay - Terminating Employees

Full Time/Part Time employees leaving the Bank prior to 3 months of service are not entitled to vacation payout for the current year.

Full Time/Part Time employees terminating after 3 months who have accrued vacation and have given proper 2-week notice, will be entitled to salary in lieu of vacation according to the following schedule:

Non-Officer/Officer Personnel:

January	1/12	of current year's entitlement (Less time already taken)				
February	2/12	“	“	“	“	“
March	3/12	“	“	“	“	“
April	4/12	“	“	“	“	“
May	5/12	“	“	“	“	“
June	6/12	“	“	“	“	“
July	7/12	“	“	“	“	“
August	8/12	“	“	“	“	“
September	9/12	“	“	“	“	“
October	10/12	“	“	“	“	“
November	11/12	“	“	“	“	“
December	12/12	“	“	“	“	“

If an employee is employed less than a year, the vacation payout will be based on the number of months worked. All unused carryover vacation present at the time of termination will be paid out.

Consecutive Vacation Leave

The New York State Department of Financial Services, the FDIC and the Federal Reserve Bank all consider it to be prudent business practice for every bank to promulgate and maintain a written vacation policy which, at a minimum, covers those officers and employees in sensitive positions. The definition of a “sensitive position” is one that engages in transactional business or has the ability to change the official records of the institution and/or can influence or cause such activity.

All Bank employees in sensitive positions are required to take at least two (2) consecutive weeks of vacation or other leave on an annual basis (within a twelve-month period incorporating the current year). This mandate applies to business days, Monday through Friday, no weekend days may be included in the two-week/ten-day count. Holidays are included in the count. During such time, the employee must be off-site and off-line. Not only should the employee be physically absent from the premises, but he/she will not be permitted to have remote access into the Bank’s records and systems. Remote access shall be disabled for such employees during this two-week period. Email will remain active and will not be turned off during this period. Employees must request their

sensitive leave at least one month before the scheduled leave Employees hired on or after the 1st of April of any year shall not have to comply with this policy within their hire year. Compliance is mandated for the following year. Employees who are only entitled to two weeks of vacation are exempt from this requirement.

In accordance with the definition of “sensitive position”, each division head shall determine which positions within their divisions/departments are to be considered sensitive using the definition indicated above. Sensitive status will be based on the status as of the beginning of the year with any changes to positions that will effect sensitive status through February 28th. The division heads will maintain up-to-date lists of the individuals employed in those specific positions and ensure that they take at least two (2) consecutive weeks of vacation annually. A copy of these lists shall be forwarded to the Human Resources Department for its records.

Exceptions to the policy must be in writing, approved by the division head and forwarded to Human Resources.

Employees in non-sensitive positions may take their vacation time in any increments they choose, with a minimum increment of 4 hours

Time Off During Vacation

Holiday- Should a holiday fall within an employee's vacation, the holiday time will be credited to the employee and not counted against the vacation time.

Disability- If a disability occurs during a scheduled vacation and continues for more than 7 consecutive days, that portion of the vacation may be rescheduled.

Bereavement- If a death in the immediate family occurs during the vacation period, the approved bereavement time allowed may be added to vacation time. (Please see "Bereavement Time" covered in the Benefits Section of this Handbook.)

Holidays

Policy Statement

The Bank recognizes most New York State Department of Financial Services approved holidays (for business reasons, certain days recognized by the New York Department of Financial Services may not be followed).

Eligibility

Regular Full-time Employees

Will be paid for the Holiday, providing they are not on Disability, Family Leave or unpaid leave of absence.

All Other Employees

Will be paid for the holiday only if the holiday falls on a day they are regularly scheduled to work.

Observed Holidays

The Bank publishes a list of observed holidays at the beginning of each calendar year.

Working on a Holiday

Non-exempt employees will receive time and a half for hours actually worked on a holiday.

Regular Full-time and Part-time Employees do not receive their personal time until after completing 3 months of service

Temporary Schedule Changes

New York City employees may request two temporary schedule changes a year for one day for personal events. Personal events include: 1) the need for a caregiver to provide care to a minor child or care recipient; (2) attendance at a legal proceeding or hearing involving subsistence benefits to which the employee, family member or the employee's care recipient is a party; or (3) any circumstance that would constitute a basis for permissible use of safe or sick time pursuant to the New York City Earned Sick and Safe Time Act. A temporary schedule change may include using paid time off, working remotely, swapping or shifting work hours, and using unpaid leave.

Employees must notify the Bank as soon as they become aware of the need for a temporary work schedule change. Such request may be made orally or in writing, and it should include the date of the change, that the change is due to a personal event, and propose the type of temporary change the employee is requesting, unless the employee would like to use leave without pay. The Bank will respond immediately. If the employee requested the schedule change orally, by person or by phone, the employee must submit a written request no later than two business days after the employee returns to work following the conclusion of the temporary change to the employee's work schedule. The Bank will respond in writing within 14 days after the employee submits the request in writing. If the employee does not submit a written request, the Bank is not required to provide a written response, but the Bank will not deny the request because the employee did not submit a written request.

Sick and Safe Days

All regular full-time and part-time employees are provided with up to fifty-six (Fifty Six 56) hours of paid time off, for use beginning January 1 of each calendar year, which can be used for the purposes provided under New York State's Paid

Sick Leave Law (“NYSPSL”) and the New York City Earned Safe and Sick Time Act (together, the “NY Safe/Sick Laws”). As provided below, the 56 hours will either accrue or be frontloaded depending on the employee’s status as either a full-time or part-time employee and hire date.

Full-time Employees

Full-time employees will receive a full allotment of paid safe and sick time at the start of each calendar year, or if they are hired between January 1 and June 30 of the calendar year, they will receive a full allotment of paid safe and sick time on the date of their hire. Employees hired on or after July 1 of the calendar year will accrue one (1) hour for every thirty (30) hours worked up to a total of fifty-six (56) hours in the calendar year. Employees who have not accrued sufficient hours to take paid safe and sick time are not permitted to borrow against unaccrued hours unless it is approved by the Human Resources Department.

Full-time Carryover

Full-time employees may carry over up to fifty-six (56) hours to the following calendar year; however, the Bank is only required to allow employees to use up to fifty-six (56) hours of safe and sick time per calendar year.

Part-time Employees

Part-time employees will accrue one (1) hour of paid safe and sick time for every thirty (30) hours worked up to a total of fifty-six (56) hours in the calendar year.

Part-time Carryover

Part-time employees may carry over up to fifty-six (56) hours to the following calendar year; however, the Bank is only required to allow employees to use up to fifty-six (56) hours of safe and sick time per calendar year. Part-time employees who have not accrued sufficient hours to take paid safe and sick time are permitted to borrow against unaccrued hours, such that they will have a negative accrued hours balance until they work and accrue sufficient hours to replenish their accrued hours balance.

Sick Time Use

Paid sick time may be used due to (1) an employee’s personal mental or physical illness, injury, or health condition, (2) the employee’s or family member’s (as defined below) need to obtain preventive care, or to care for a family member who needs medical diagnosis, care or treatment for a mental or physical illness, injury or health condition, (3) the care for an employee or family member when it has been determined by the public health authorities having jurisdiction that the employee’s or family member’s presence in the community may jeopardize the health of others because of his or her exposure to a communicable disease whether or not the employee or family member has actually contracted the communicable disease, or (4) during closure of the Bank’s place of business by

order of a public official due to a public health emergency or when an employee needs to care for a child whose school or childcare provider has been closed by order of a public official due to a public health emergency.

Safe Time Use

Paid safe time may be used where an employee or an employee's family member (defined below) is a victim of a family offense matter, sexual offense, stalking or human trafficking. Reasons for safe time may include (1) to obtain services from a domestic violence shelter, rape crisis center, or other shelter or services program, (2) to participate in safety planning, temporarily or permanently relocate, or take other action to increase the safety of the employee or employee's family members from future harm, (3) to meet with an attorney or other social service provider to obtain information and advice on, and prepare for or participate in any criminal or civil proceeding, including but not limited to, matters related to a family offense matter, sexual offense, stalking, human trafficking, custody, visitation, matrimonial issues, orders of protection, immigration, housing, and/or discrimination in employment, housing or consumer credit, (4) to file a complaint or domestic incident report with law enforcement or meet with a district attorney's office, (5) to enroll a child in a new school, or (6) to take other actions necessary to maintain, improve, or restore the physical, psychological, or economic health or safety of the employee or the employee's family member or to protect those who associate or work with the employee.

For purposes of this safe and sick time policy, "family member" shall include an employee's child (biological, adopted, or foster child; legal ward; child of an employee standing in loco parentis), spouse, domestic partner, parent (including biological, foster, step or adoptive parent, or legal guardian of an employee), sibling (including a half, adopted, or step sibling), grandchild or grandparent, the child or parent of the employee's spouse or domestic partner, any other individual related by blood to the employee and any other individual whose close association with the employee is the equivalent of a family relationship.

Safe time or sick time must be taken in a minimum initial daily increment of 4.0 hours; however, any safe or sick time beyond the initial minimum four (4) hour increment in a given day may be used in 30-minute intervals that start on the hour or half-hour.

Pay

Safe and sick time will be paid at the regular rate the employee would have earned for the amount of time and type of work the employee was scheduled to perform at the time the safe or sick time is taken. For employees working outside of New York City who are paid at more than one rate of pay, NYSPSL requires the rate of pay to be calculated based on the weighted average of those rates. For employees working in New York City who are paid at more than one rate of pay,

they will be paid the greater rate of pay between (i) the weighted average of these rates and (ii) the pay rate the employee would have received during the time that the employee was scheduled to work and took safe or sick leave.

No Payout Upon Termination

No accrued unused safe and sick time shall be paid out upon termination for any reason, whether voluntary or involuntary, and regardless of whether termination is initiated by the Bank or the employee.

Required Notice and Safe and Sick Time Call Out Requirements

It is the employee's responsibility to notify his/her manager/supervisor of all absences as soon as possible based on the following:

- Where the use of safe or sick time is foreseeable, the employee must provide advance notice of the intention to use earned safe or sick time as soon as possible.
- If an employee is aware of the need for safe or sick time in advance, s/he is expected to provide at least seven (7) days' notice of the intended absence.
- An employee who uses safe or sick time for an unforeseeable reason must provide notice as soon as practicable.
- An employee must notify his/her manager/supervisor in writing of the need to use safe or sick time. Additionally, the employee must inform his/her supervisor at the time of the call out if the absence is for an event covered by this policy.

In such cases, any safe or sick time must be used to cover as much of the absence as possible. Managers/supervisors are responsible for confirming that employees record their earned safe or sick time. Providing false or misleading information in connection with an absence could lead to disciplinary action, up to or including termination.

Safe and Sick Time Tracking and Documentation

For an absence of more than three (3) consecutive workdays, employees may be required to provide reasonable documentation to Human Resources that the use of safe or sick time was for reasons allowed by this policy.

For sick time used for more than three (3) consecutive days due to the employee's illness/injury, or that of a family member, documentation signed by a licensed health care provider indicating the need for the amount of sick time taken may be required. The documentation should not specify the nature of the employee's or the employee's family member's injury, illness or condition. Health information about an employee or an employee's family member obtained for the purposes of utilizing earned sick time pursuant to this policy shall be treated as

confidential, unless the employee consents to disclosure in writing or disclosure is required by law.

If an employee uses sick time to care for a child whose school or childcare provider has been closed by order of a public official due to a public health emergency, the Bank has the right to request confirmation of such closure.

For safe time used for more than three (3) consecutive days, reasonable documentation may be required. Reasonable documentation includes documentation signed by an employee, agent, or volunteer of a victim services organization; an attorney; a member of the clergy; or a medical or other professional service provider from whom the employee or that employee's family member has sought assistance in addressing family offense matters, sex offenses, stalking, or human trafficking and their effects; a police or court record; or a notarized letter from the employee explaining the need for such time. All documentation shall be treated as confidential and no employee will be required to disclose specific details relating to the domestic violence, sexual offense, stalking or human trafficking.

Failure to provide required documentation could lead to disciplinary action.

Discipline for Abuse of Safe or Sick Time

If an employee improperly uses safe or sick time, employers are allowed to take disciplinary action, up to and including termination. Potential indications of abuse include, but are not limited to, patterns of: (1) use of unscheduled time on or adjacent to weekends, regularly scheduled days off, holidays, vacation or payday, (2) taking scheduled time on days when other leave has been denied, and (3) taking time on days when the employee is scheduled to work a shift or perform duties perceived as undesirable.

No Retaliation

The Bank will not unlawfully retaliate against employees for requesting or using safe time or sick time pursuant to NY Safe /Sick Laws or for filing a complaint for alleged violations of the law(s), for communicating with any person, including coworkers, about any violation of the law(s), for participating in a court proceeding regarding an alleged violation of the law(s) or for informing another person of that person's potential rights under the law(s).

Safe and Sick Time Used as Personal Days

Full-time employees are permitted to use up to sixteen (16) of the fifty-six (56) maximum hours of safe and sick time as personal days, and part-time employees are permitted to use up to eight (8) of the fifty-six (56) maximum hours of safe and sick time as personal days. Personal days may be used for any purpose: religious, cultural or political observances, graduation ceremonies, medical or dental appointments, household moves, driving tests, etc. Personal time is subject to supervisor approval and is subject to department operational needs.

Personal time may be taken in ½ days (4 hours) and must be recorded on the electronic time sheet.

Bereavement Time

Death in Immediate Family

Any employee of the Bank, regardless of length of service, will be eligible for up to five (5) days paid leave in the event of the death of a mother, father, step mother, step father, husband, wife, brother, sister or child.

Up to three (3) days paid leave will be allowed in the event of the death of a grandparent, mother-in-law, father-in-law, brother-in-law or sister-in-law.

All bereavement days must be taken consecutively.

Part Time employees will receive up to (3) days of paid leave. The bereavement days must be taken on regularly scheduled work days.

Death outside Immediate Family

Any employee of the Bank can request time off to attend a funeral or memorial service of a family member outside his/her immediate family. If approved, the employee will be granted one day off, with pay. Part-time employees shall only be granted paid time off if the service is on a scheduled work day.

1. Additional bereavement time may be considered in extenuating circumstances.
2. In all such instances, a Human Resources Officer must be notified.

The Bank reserves the right to request verifiable documentation for any bereavement time requested.

Jury Duty

If you are called to serve jury duty, the Bank encourages you to fulfill your civic duty.

SCOPE

Regular Full-time Employees will be granted time off to serve and will receive full pay, provided they submit to the Bank proof of notice and service.

Regular Part-time Employees will be granted time off to serve and will be paid for their normally scheduled hours for those days when jury duty falls on their regularly scheduled workday.

Employees will be required to report to work on any day they are released and will be expected to return to work as soon as the jury duty assignment is completed.

If for any Bank-related reason an employee requires a postponement of jury duty, the Human Resources office will write the necessary letter requesting a deferment.

If you receive notice for jury duty, it is mandatory to notify your supervisor immediately so that proper arrangements can be made to cover in your absence. We expect you to report to work on those days when court is not in session. Employees are required to provide proof of service to the Human Resources Department upon his or her return from jury duty.

Leaves of Absence

Family and Medical Leave

The Bank's Family and Medical Leave (FMLA) policy provides up to 12 weeks of unpaid family and medical leave under certain circumstances to eligible employees. The Bank's Family and Medical Leave policy will be interpreted in accordance with the federal Family and Medical Leave Act, the regulations thereunder, and all other applicable laws. To the extent that these policies may conflict with those laws, those laws shall control. Further, the Bank retains all rights and defenses under applicable law, whether or not specifically set forth in these policies.

Eligible Employees

Employees who have been employed for at least 12 months (not necessarily consecutively) and have worked at least 1250 hours in the twelve months immediately preceding the request for leave.

Purpose of Leave

The Bank will grant eligible employees 12 weeks of unpaid leave during a 12-month period for any of the following reasons:

- For incapacity due to pregnancy, prenatal medical care or child birth;
- To care for the employee's child within one year of birth, or placement with the employee of a child for adoption or foster care and to care for the newly placed child within one year of placement;
- To care for the employee's child, spouse or parent with a "serious health condition"; and

- Due to the employee's own "serious health condition" which renders the employee unable to perform the functions of his or her position.

Serious Health Condition / Spouse Defined

A "serious health condition" is defined under the FMLA as an illness, injury, impairment or physical or mental condition that involves either an overnight stay at a medical facility (and any period of incapacity in connection with such inpatient care) or continuing treatment by a healthcare provider for a condition that prevents the employee from performing his or her job functions. Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three (3) consecutive calendar days, combined with at least two visits to a healthcare provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy or incapacity due to a chronic condition. Other conditions may also meet the FMLA's definition of continuing treatment.

A "spouse" means a husband or wife. For purposes of this definition, husband or wife refers to the other person with whom an individual entered into marriage or common law marriage as defined or recognized under state law for purposes of marriage in the state in which the marriage was entered into or, in the case of a marriage entered into outside of any state, if the marriage is valid in the place where entered into and could have been entered into in at least one state. This definition includes an individual in a same-sex marriage.

Leave Period

An eligible employee is allowed to take up to 12 weeks of FMLA leave during a 12-month looking backward from the first date an employee uses any FMLA leave.

Except in the case of intermittent leave discussed below, FMLA leave cannot be taken in less than:

- 1/2 day increments - Regular Full Time Employees
- 1 hour increments - Regular Part-time Employees

Limitation When Taken for Birth, Adoption or Placement

When FMLA leave is approved for care after birth, placement or adoption of a child, it must be taken within 12 months of the date of birth, placement or adoption.

Service Member Family and Medical Leave

Eligible employees with a spouse, son, daughter or parent on "covered active duty" (or who has been notified of an impending call to "covered active duty") in the Armed Forces may take up to 12 weeks of unpaid leave during any 12-

month period to address certain qualifying exigencies. Qualifying exigencies may include issues arising from a military member's short notice deployment, attending military events, arranging for alternative childcare, addressing certain financial and legal arrangements; attending certain counseling sessions, rest and recuperation, and attending post-deployment reintegration briefings. The leave may begin as soon as the service member receives notice that he or she is being called to active duty. If the leave is foreseeable, however, employees are directed to provide notice to the Company to the extent such notice is "reasonable and practicable."

FMLA also includes leave that permits eligible employees to take up to 26 weeks of unpaid leave to care for a covered service member during a single 12-month period. A covered service member is: (1) a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status or is otherwise on the temporary disability retired list, for a serious injury or illness; or (2) a veteran who was discharged or released under conditions other than dishonorable at any time during the five-year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness. Employees should be aware that the FMLA definitions of "serious injury or illness" for current service members and veterans are distinct from the FMLA definition of "serious health condition."

Other Leave Affecting FMLA Leave

Vacation Days - An employee who is eligible for more than 2 weeks' vacation is required to use accrued vacation time in excess of 2 weeks, up to a maximum of 2 weeks, for family leave.

Vacation leave will be used after five (5) days of paid FMLA leave and before unpaid FMLA leave. The first five (5) days of FMLA leave will be paid.

Disability, Workers Compensation and Sick Pay - During an FMLA leave for your own serious health condition, you may be eligible for Sick Days pay, Workers Compensation and/or Disability Benefits. These leaves run concurrently with FMLA leave. See the Sick Days, Workers Compensation and Disability Benefits sections of the Handbook.

New York Paid Family Leave (PFL) - FMLA leave and PFL will run concurrently for any employee who is eligible for both types of leave (for instance, to care for a family member with a serious health condition, or to bond with a child within twelve (12) months of the birth, adoption or foster placement of employee's child). Employees will be provided with required notices regarding applicable leave benefits for each leave of absence.

Spouses Working for the Bank

If the Bank employs two people who are married to each other, those spouses are entitled to a total of 12 weeks leave in connection with the birth and care of a newborn child, placement of a child for adoption or foster care, or to care for a parent who has a serious health condition. However, each spouse is entitled to 12 weeks leave to care for their sick child or due to their own serious health condition. Spouses employed by the same employer are limited to a combined total of 26 workweeks in a “single 12-month period” if the leave is to care for a covered service member with a serious injury or illness or a combination of leave taken to care for a covered service member and leave for the birth or placement of a healthy child or to care for a parent with a serious health condition.

Intermittent or Reduced Work Schedule

A medical leave or a family leave may be available on an intermittent or reduced schedule basis if you or your family member is receiving treatment for a serious health condition and it is medically necessary for you to take the time off on this basis. The Bank will require certification from the physician for the need for you to take time-off on this basis, including that such leave is medically necessary, the expected duration and schedule of such leave, and (if applicable) that the leave is necessary to care for the ill family member or will assist in the family member’s recovery. If you do not supply the Bank with the certification at the time you make the request for the leave, or within 15 days of the request, your leave will be denied until the time you provide the proper certification. If the leave is foreseeable based on medical treatments, you are required to schedule the treatments so as not to disrupt unduly the operations of your department, if reasonably possible. The Bank may, at its option, temporarily transfer you to an available alternative position with equivalent pay and benefits if you request intermittent leave or a reduced work schedule, when such transfer is more convenient for the Bank’s operations.

The shortest time period for which the leave can be taken on a reduced schedule is one hour.

Availability of Leave and/or Time off as a Reasonable Accommodation

If an employee is not eligible for FMLA leave, but needs time off for his or her own disability, the employee may be eligible for unpaid leave as a reasonable accommodation. An employee’s request for a leave of absence and/or time off as a reasonable accommodation will be considered pursuant to the provisions of the ADA, regardless of an employee’s eligibility for or entitlement to leave under the FMLA.

Similarly, if an employee has exhausted his or her entitlement to FMLA leave and needs additional leave for his or her own disability (including a disability caused by, exacerbated by, or related to pregnancy), the employee may be eligible for additional unpaid leave beyond the FMLA as a reasonable accommodation. Any request for additional leave without pay must be submitted in writing to the

employee's manager and a copy sent to the Human Resources Department before the FMLA leave expires. The Bank will make reasonable accommodations to an employee's extended disability, in accordance with federal, state and local disability statutes. The manager and the Human Resources Department will work together on such a request.

Advance Notice

Employees are required to give 30 days' advance written notice to the Human Resources Department when the leave requested is "foreseeable". When the need for leave is foreseeable but 30 days' notice is not possible, you must provide notice as soon as is practicable. "As soon as practicable" means as soon as possible and practical. When the need for the leave is not foreseeable, such as, for example, where immediate medical treatment is necessary, the employee must provide written notice as soon as practicable under the facts and circumstances of a particular situation.

Content of Notice

Absent an emergency or other unusual circumstance, an Employee's request for FMLA leave must be in writing. The written request must be submitted to Human Resources.

An employee must provide sufficient information to Human Resources in accordance with the Bank's procedures to enable the Bank to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave, specifying, to the extent possible, the beginning and end dates of the leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for qualifying exigency and/or covered service member leave. An employee merely calling out "sick" is insufficient notice and does not constitute a request for FMLA leave.

Certification

Medical Certification

In the event the requested leave is due to your own or a family member's serious health condition, you must provide the Bank's leave administrator, within 15 days of the commencement of the leave, with medical information from your (or your family member's) treating physician, attesting:

- to the date on which the serious health condition commenced;
- to the nature of the "serious health condition";
- that the illness is a "serious health condition"; and
- the probable duration of the condition.

Employees may also be required to provide additional physician's statements at the Bank's administrator's request at reasonable intervals.

If the employee is needed to care for a spouse, child or parent, the certification should so state along with an estimate of the amount of time the employee will be needed. If the employee has a serious health condition, the certification should state that the employee cannot perform the functions of his or her job.

Medical certification will be provided by the bank's administrator. Contact the benefits department within Human Resources for contact information on how to contact the bank's leave administrator.

If the Bank has a reason to doubt a submitted certification, it may, at its own expense, require the employee to obtain the opinion of a second health care provider designated by the Bank, which is not a provider of services to the Bank. If the two medical opinions conflict, the Bank may require, at its own expense, that the employee obtain the opinion of a third health care provider jointly selected by the Bank and the employee. The third opinion will be final and binding.

Certification for the Placement or Adoption of a Child

In the event that the FMLA leave is for the placement or adoption of a child, the employee must provide the Bank's leave administrator with suitable documentation.

Certification for Service Member Family and Medical Leave

Employees requesting leave for a qualifying exigency are required to provide the covered military member's active duty orders and a certification providing the appropriate facts related to the particular qualifying exigency for which leave is sought. Employees requesting leave to care for a covered service member with a serious injury or illness are required to provide a certification completed by an authorized health care provider.

New York State Paid Family Leave (NYS PFL)

In accordance with the New York State Paid Family Leave Program (PFL) the bank will provide eligible employees with job protected paid family leave.

PFL Entitlement Overview

The New York state PFL program provides paid leave to eligible employees for the following qualifying events:

- To care for a child during the first 12 months after the child's birth or the first 12 months after the placement of the child for adoption or foster care with the employee;
- To care for a family member (spouse, domestic partner, child, parent, parent-in-law, grandparent, grandchild) with a "serious health condition"; or
- To handle family responsibilities when a spouse, domestic partner, child or parent is called to active military service abroad.

In addition, an employee may take PFL before the actual placement or adoption of a child if absence from work is required for the placement for adoption or foster care to proceed, for example, to allow the employee to attend required counseling sessions, appear in court, consult with his or her attorney or the doctor(s) representing the birth parent, submit to a physical examination, or travel to another country to complete an adoption.

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves: (a) inpatient care in a hospital, hospice, or residential health care facility; or (b) continuing treatment or continuing supervision by a health care provider.

PFL cannot be used for an employee's own serious health condition or military event, unless otherwise provided by law. In addition, PFL for the birth of a child is not available for prenatal conditions and instead begins after birth.

PFL can be taken either all at once or intermittently in full-day increments.

Amount of PFL

Since PFL is part of the New York state disability leave law, employees are limited to a total of 26 weeks of combined state disability leave benefits ("DBL") and PFL in any 52-week period.

PFL is tracked by the "look back" method; i.e., when an employee requests PFL, the PFL insurance carrier will look back 52 weeks to see if the employee has taken any DBL or PFL in that period to determine available benefit time.

PFL Eligibility Requirements

Employee eligibility requirements for PFL are as follows:

- Employees with a regular work schedule of 20 or more hours per week are eligible after 26 weeks of employment.
- Employees with a regular work schedule of less than 20 hours per week are eligible after 175 days worked within a 52-week period.

Time spent on paid time off will be counted toward an employee's eligibility determination.

If an employee satisfies specific criteria and does not expect to work long enough at the Bank to qualify for PFL, he or she may opt out of paying PFL payroll contributions by completing a waiver of benefits form. This waiver is entirely optional. Employees who complete a waiver will not contribute to PFL through payroll deductions and will not be eligible to take PFL. If the employee's schedule changes such that he or she will be expected to qualify for PFL, the waiver is automatically revoked and the employee is responsible for paying any required PFL contributions from the first day of employment.

Funding for PFL

Pursuant to applicable law, PFL is funded through employee payroll deductions. The Bank will deduct the premium cost for its PFL insurance policy from employees through a payroll deduction. 2021 0.511-385.34 The rate of employee contributions through payroll deduction is reviewed annually, and is subject to change by New York State's Department of Financial Services. Employees can use the calculator at ny.gov/PFL calculator to obtain an estimate of their weekly deduction.

Employee Notice Responsibilities

When an employee has a foreseeable need for PFL, he or she must provide 30 days' advance notice of his or her intention to use PFL. If the need for PFL is not foreseeable, the employee must notify Human Resources as soon as practicable.

As noted above, PFL may be used on an intermittent basis, in full-day increments only. When an employee takes intermittent PFL, he or she must provide notice to Human Resources as soon as is practicable before each day of intermittent leave.

Apply for PFL and Payment of PFL Benefits

To apply for PFL, eligible employees must submit a completed PFL claim form, along with supporting documentation as described on the claim form, to the Bank's PFL insurance carrier before or within 30 days after their first day of PFL. The employee is responsible for the final submission of the PFL claim form to the Bank's PFL insurance carrier.

Within 18 days of filing a complete claim for PFL, the insurance carrier will pay or deny the claim. An employee whose PFL claim is approved by the insurance carrier will be paid benefits directly by the carrier.

Eligible employees whose claims are approved will be paid a percentage of their regular earnings for a maximum period provided by law in any 52-week period. The maximum weekly benefit for 2021 is \$971.61. The NYS average weekly wage is reviewed annually.

Coordination with Other Leaves and Use of Paid Time Off During PFL

Vacation Days - An employee who is eligible for more than two (2) weeks' vacation can use accrued vacation time in excess of two (2) weeks, up to a maximum of two (2) weeks, for family leave.

Vacation leave can be used after five (5) days of paid PFL leave. The first five (5) days of PFL leave will be paid at full salary. The bank will pay the difference between the PFL payment and the employee regular pay rate.

In no case may an employee receive more than one hundred percent (100%) of his or her regular net pay during PFL.

You may not receive New York state DBL and PFL benefits at the same time, unless otherwise provided by law.

If you are unable to work and qualify for Workers' Compensation Benefits, you may not use PFL benefits at the same time as you are receiving Workers' Compensation benefits. If you are receiving reduced earnings as a result of qualifying PFL reasons, you may be eligible for PFL. Please check with Human Resources.

FMLA - FMLA leave and PFL will run concurrently for any employee who is eligible for both types of leave (for instance, to care for a family member with a serious health condition, or to bond with a child within twelve (12) months of the birth, adoption or foster placement of employee's child). Employees will be provided with required notices regarding applicable leave benefits for each leave of absence.

Spouse Working for the Bank

The Bank reserves the right to deny spouses the ability to take Paid Family Leave at the same time to bond with the same child, care for the same family member, or assist loved ones for the same family member deployed abroad on military service.

Providing Benefits During FMLA & PFL Leave

Group Health Insurance

The Bank will provide group health benefits for the duration of a PFL or FMLA leave.

The following will apply:

- The employee may opt not to maintain health benefits during any PFL or an unpaid FMLA leave. Should the employee elect not to maintain this coverage, he/she must advise the Benefits Department as soon as the leave commences. If an employee chooses not to retain health plan coverage during PFL or unpaid FMLA, upon the employee's return from leave, the employee shall be reinstated into the health plan on the same terms the employee had prior to taking leave.
- Employees will be required to pay the employee portion of the premium for the duration of the leave.
- For any portion of PFL or unpaid FMLA leave, the Bank will pay the total premium (Bank and employee) until the employee returns to work. Upon return to work, the Bank will be entitled to reimbursement of the employee's contribution.
 - The Bank will cease to maintain health benefits if and when the employee informs the management or the Human Resources Department of his/her intention not to return from leave or if the employee fails to return from leave.
- If the employee fails to return from unpaid leave, he/she will be asked to reimburse the Bank, within 30 days, for the total premium paid (Bank and employee) for the unpaid portion of the leave.
 - The employee will not be required to reimburse the Bank if the employee's failure to return to work is due to:
 - The continuation, recurrence, or onset of a serious health condition which would entitle the employee to leave under FMLA; or
 - Other circumstances beyond the employee's control.
 - Where the employee fails to return to work for reasons other than those stated above, the health premiums paid by the Bank during any period of unpaid leave may be recovered.

Life Insurance Coverage

Group life insurance coverage will be maintained for the employee at the Bank's expense during any period of PFL or an unpaid FMLA leave. Such coverage will cease if and when the employee informs the Bank of his/her intention not to return.

Voluntary Benefits

Employees wishing to maintain voluntary benefits (AD&D, Supplemental Life, Supplemental LTD) during PFL or an unpaid FMLA leave must send a check for the total premium to the Benefits Department as arranged upon commencement of the leave. Failure to do so will result in cancellation of the coverage.

Reinstatement Rights

Return to Work

On your return from PFL or FMLA, you are entitled to the same position you held when the leave commenced, or an equivalent position with equivalent benefits, pay and other terms and conditions of employment.

Use of PFL or FMLA will not result in the loss of any employment benefit (e.g., PTO, to the extent applicable) that accrued prior to the start of an employee's PFL.

Certification on Return

In the event of the employee's own illness, the Bank requires a certification of fitness before the employee returns.

Failure to Return to Work

If you fail to return to work after an approved family or medical leave and are not authorized to take any additional leave time, your position at the Bank will be considered abandoned. This will be treated as a voluntary termination of employment on your part.

FMLA Exemption for Key Employees

The Bank may deny reinstatement to a salaried employee who is among the highest paid 10% of employees provided denial of reinstatement is necessary to prevent substantial grievous and economic injury to the Bank's operation.

Claim-Related Disputes

If your PFL claim is denied by the insurance carrier, the insurance carrier will provide you with information about how to request arbitration. A neutral arbitrator will decide claim-related disputes.

Non-Discrimination and Non-Retaliation

Employees may not be subjected to discrimination or retaliation for exercising their rights to FMLA or PFL. If you believe that you may have

been unlawfully discriminated or retaliated against for exercising your rights to FMLA or PFL, you should utilize the complaint procedure set forth in the Bank's Equal Employment Opportunity and Anti-Harassment Policy. In all cases, please speak with whichever person you feel the most comfortable, whatever your reasons. Your complaint will be investigated promptly, thoroughly and impartially, in accordance with the procedures described in the Bank's Equal Employment Opportunity and Anti-Harassment Policy.

Additional Information

For additional information, including, but not limited to, how to contact the Bank's PFL insurance carrier to file a claim for PFL, please contact Human Resources. Employees can also visit ny.gov/PaidFamilyLeave for additional information.

Military Leave

A military leave of absence without pay will be granted to employees who enter the Armed Forces of the U.S., up to a period of 5 years.

Employees who enter military service will continue to earn service credit as if they were at work. Employees who have been granted a military leave of absence will be re-employed in accordance with all applicable Federal and State laws.

Military Training Leave

If you belong to the National Guard or Active Reserve and are required to spend two weeks in training, you will be granted a military leave of absence without pay. You may use accrued vacation time for this leave period.

Notify your supervisor promptly upon receiving notice of military service by presenting such notice. Upon return to work, provide the Bank with an appropriate armed forces pay voucher that records the dates spent on duty.

If the employee returns to work within the legally prescribed time, he/she is entitled to all benefits and/or wage increases that occurred during his/her absence.

Spouse Military Leave

Employees may also be eligible to take unpaid leave of up to ten (10) days when the employee's spouse is on leave from service as a member of the armed forces of the United States, national guard, or reserves and who has been deployed during a period of military conflict to a combat theater or a combat zone of operations.

Employees who work an average of at least 20 hours per week may take up to ten (10) days of unpaid leave when a spouse returns on leave from military duty under certain circumstances. For a Bank employee to qualify for leave, the

military spouse (the “military member”) must be a member of the Armed Forces of the United States, the National Guard or Reserves who is returning from deployment during a period of military conflict. If the military member is in one of the Armed Forces of the United States, then the member must also have been deployed to an area designated as a combat theater or combat zone by the President of the United States.

Employees must provide reasonable advance notice of the need to take leave after receiving official notice that the military member will be returning on leave and provide the Bank with written documentation certifying that the military member will be on leave from deployment. New York Family Military Leave is unpaid. Employees may use any accrued paid time off or personal time during this leave, if applicable. This leave does not affect any other leave-of-absence rights employees may otherwise have under other state or federal laws. Employees who take New York Family Military Leave are protected by law from retaliation for requesting or taking this leave.

Paid Family Medical Leave for Siblings

Employees are allowed one week with pay per calendar year (maximum of 5 consecutive work days) for the serious health condition of a sibling. PFL and unpaid FMLA leave **cannot** be taken for this purpose. Additional time must be taken as vacation, personal leave or a leave of absence without pay.

Westchester Safe Leave

All full-time and part-time employees who work in Westchester County for more than 90 days in a year and who are victims of domestic violence or victims of human trafficking will be provided with forty (40) hours of Safe Leave time every year to attend or testify in criminal and/or civil court proceedings related to domestic violence or human trafficking and/or to move to a safe location.

Employees will receive the forty (40) hours at the start of each calendar year, or if they are newly hired, after ninety (90) days of employment with the Bank. The forty (40) hours will be credited from the employee’s vacation days, to the extent the employee has unused vacation days when the Safe Leave hours are used by the employee.

Safe Leave may be taken in a minimum of four (4) hour increments. Employees are not required to search for or find a replacement worker. The Safe Leave will be provided in addition to safe and sick leave provided for under New York State’s Paid Sick Leave law.

Employees may request Safe Leave by making an oral, written or email request to Human Resources. When possible, the request shall include the expected duration of the absence. If the need to use Safe Leave is foreseeable, employees are expected to make a good faith effort to provide notice in advance and, when

possible, shall make a reasonable effort to schedule the use of Safe Leave in a manner that does not unduly disrupt the operations of the Bank.

The Bank may require supporting documentation that Safe Leave has been used for the purposes set forth above. Supporting documentation can include: (1) a court appearance ticket or subpoena; (2) a copy of a police report; (3) an affidavit from an attorney involved in the court proceeding relating to the issue of domestic violence and/or human trafficking; or (4) an affidavit from an authorized person from a reputable organization known to provide assistance to victims of domestic violence and victims of human trafficking (e.g., My Sister's Place).

Safe Leave will be paid at the same rate as the employee earns when he/she uses such time, unless otherwise required by applicable law, but no less than the applicable minimum wage. There is no payout of unused Safe Time at separation or at any other time.

Employees have the right to request and use Safe Leave and may file a complaint for alleged violations of this policy with the Westchester County Department of Consumer Protection. The Bank prohibits retaliation or the threat of retaliation against an employee for exercising or attempting to exercise any right provided in this policy, or interference with any investigation, proceeding or hearing related to or arising out of employee's rights pursuant to the policy and applicable law.

Employees with questions concerning this policy should contact Human Resources.

First Responder Leave

The Bank will provide unpaid leave to eligible employees who serve as volunteer firefighters or volunteer ambulance personnel when the Governor declares a state of emergency, unless the employee's absence would impose an undue hardship on the Bank's business.

To be eligible for such leave, an employee must provide the Bank with prior written documentation from the head of the employee's volunteer fire department or volunteer ambulance service notifying the Bank of the employee's status as a volunteer firefighter or member of a volunteer ambulance service. Additionally, the employee's volunteer duties must be related to the declared emergency.

The employer may also direct the employee to provide a notarized statement from the head of the employee's volunteer fire department or volunteer ambulance service certifying the period of time during which the employee responded to the emergency.

Eligible employees may elect to substitute other accrued, paid leave, such as paid time off, for the unpaid leave.

Witness/Crime Victim Leave

Any employee who is a victim of a criminal offense or subpoenaed to attend a criminal proceeding as a witness and who notifies the Bank of his or her intent to appear as a witness or consult with the district attorney shall be entitled to unpaid leave.

Voting Leave

A registered voter may, without loss of pay for up to two hours, take off so much working time as will enable him or her to have “sufficient time to vote” in any election. The employee shall be allowed time off for voting only at the beginning or end of his or her working shift, as the employer may designate, unless otherwise mutually agreed. This policy does not apply to employees who have four consecutive hours in which to vote while the polls are open either from the opening of the polls to the beginning of their work shift, or four consecutive hours between the end of a working shift and the closing of the polls.

If the employee requires working time off to vote, the employee shall notify his or her employer not less than two working days before the day of the election that he or she requires time off to vote in accordance with the provisions of this section.

Employees also are reminded of the availability of voting by mail.

Bone Marrow/Blood Donation Leave

The Bank will provide unpaid time off to employees who work on average 20 or more hours per week to donate blood or bone marrow. The Bank will provide up to 24 work hours of unpaid leave to employees undergoing bone marrow donation. The Bank will also provide up to 3 hours of unpaid leave in a 12-month period for blood donation. Employees must provide reasonable advance notice of the need for Bone Marrow/Blood Donation Leave and the Bank may request documentation to confirm that the leave was used for donation purposes. Employees may use accrued paid time off or personal time during such leave, if applicable.

Personal Leave of Absence

The Bank in its sole discretion will consider granting an unpaid leave of absence for up to 30 days to an employee for extenuating personal reasons. The Bank will consider its needs, the employee’s position and business realities in determining whether to grant a personal leave of absence. Personal leave may be granted in cases where an employee needs to be out of work for a certain period of time but are not seeking leave for a purpose that qualifies for leave under the FMLA or PFL.

A written request for personal time off must be submitted to your supervisor, specifying the anticipated starting and ending dates of the leave, as well as the

reasons for the leave. If the reason for the personal leave of absence is foreseeable, you must submit your request thirty days in advance of the anticipated starting date. If it is impossible to provide such advance notice, you must submit your request as soon as practicable. If approved, your department officer will forward the request to the Human Resources officer for further review. Employees must exhaust all paid time off before an unpaid leave will be considered.

Personal leaves of absence will be without pay. However, benefits, to the extent not conditioned on or based upon compensation, will continue in effect.

Reinstatement Rights

Upon returning from a personal leave of absence, reinstatement is not guaranteed. However, the Bank will make an effort to allow you to return to your former position (if it is available) or another available position for which you are qualified. Please note that business conditions, among other reasons, may preclude reinstatement.

Failure to Return from Leave

If you fail to return to work after an approved personal leave and are not authorized to take any additional leave time your position at the Bank will be considered abandoned. This will be treated as a termination of employment on your part.

Should an employee wish to receive an extension of a leave of absence, a written request explaining the reason must be sent to the Human Resources office through the employee's manager/supervisor prior to the expiration date of the original leave. Approval will be based upon the merits of the individual situation.

Benefits

About Your Benefits

Apple Bank provides a comprehensive benefits program that is a valuable supplement to your regular salary. The broad range of employee benefits have been designed to provide protection if you are sick or injured; security for you and your survivors; financial security for the future; and, peace of mind for you and your family. Our benefits section of the Human Resources department will be happy to help you with any questions you may have.

In the following pages, we have attempted to accurately summarize our benefits, but please keep in mind that if discrepancies occur, the master benefit contract(s) will prevail.

The Bank anticipates continuing to make available to employees the benefits described in this section. However, the Bank reserves the right to change, discontinue and/or charge for any of these benefits at any time.

All booklets and other material regarding any benefit can be obtained through the Human Resources Department.

Health Insurance Program

Apple Bank offers a health insurance program which is detailed in the Summary of Benefits and Coverage. Health insurance plan information will be provided by the Human Resources Department prior to your eligibility date.

Eligibility

Coverage is effective on the first of the month following date of hire, provided you are actively at work as a salaried employee.

Family Coverage

Employees can enroll in a family plan in order to cover their spouse and unmarried dependent children to 26 years of age. Only a qualified disabled dependent can continue coverage past age 26.

Change in Dependent Coverage

Employees whose eligible children are approaching 26 years of age should notify the benefits section of Human Resources to cancel coverage. If your dependent's insurance ends, he or she may elect to continue the health insurance coverage under the group policy, through the Consolidated Omnibus Budget Reconciliation Act ("COBRA") on his or her own behalf, for a maximum period of 36 months.

The Human Resources department must be notified within 31 days if you experience a change of status (marriage, birth, etc.) regarding additions or

deletions from your health insurance plans under "Change in Dependent coverage". If you do not provide notice the Human Resources department within this 31 day window, no changes can be made to your elections until the annual Open Enrollment period.

Open Enrollment

During the annual Open Enrollment, an employee may enroll, waive or terminate coverage for themselves and/or their dependents without having to satisfy any waiting periods, including in circumstances where they missed the 31-day notification period of a status change. Employees should review the plan during Open Enrollment, as the plan changes from time to time.

Health Insurance Premiums

Apple Bank and its employees share the cost of the health insurance premiums. The schedule of employee contributions for medical and dental insurance is made available upon eligibility and during each Open Enrollment.

Employee contributions will be deducted from each paycheck on a before tax basis pursuant to the Bank's Section 125 Premium Plan.

Life & Accident Insurance Plans

Group Life Insurance

The Group Life Insurance Plan provides life insurance protection and accidental death and dismemberment. The terms and conditions of the Group Life Insurance Plan are outlined in the plan documents.

Eligibility

Coverage is effective on the first of the month following date of hire, provided you are actively at work.

Cost

The Bank pays the entire cost of group life insurance.

Beneficiary

Employees may designate anyone as beneficiary on the enrollment form. The beneficiary may be changed, by completing forms available from the benefits office. In the event of your death, the named beneficiary will receive the benefit.

Benefit

FOR EMPLOYEES HIRED PRIOR TO OCTOBER 1, 1989

Full-time Employees

Equal to your annual base salary multiplied by 3.

Regular Part-time Employees

Equal to your hourly salary multiplied by 1000, multiplied by 3.

Maximum Benefit -- \$500,000.

FOR EMPLOYEES HIRED AFTER OCTOBER 1, 1989

Full-time and Regular Part-time Employees

- First year of participation in the plan: 1 times your annual base salary.
- After second year anniversary: 2 times your annual base salary.
- After third year anniversary: 3 times your annual base salary.

Maximum Benefit -- \$250,000.

Income Protection Plans

Apple Bank offers Income Protection Plans that would benefit you if you become sick, injured or disabled. The terms and conditions of the Income Protection Plans are outlined in the plan documents. This program has 5 elements:

- Short-term Disability (STD)
- Supplemental Disability Benefit
- Long-term Disability (LTD)
- Workers Compensation
- Voluntary Accident Insurance

Disability Benefit/Supplemental Disability Benefit

(Short Term Disability)

This benefit covers any salaried employee whose length of service is at least 4 weeks and who is absent due to a non-job related disability for more than 7 consecutive calendar days. It is payable for up to 26 weeks in a 52-week period.

The employee may receive **TWO** benefits:

1. **STATUTORY DISABILITY BENEFIT** (required under New York State Law).

The benefit is paid at one half the employee's salary, up to a maximum of \$170.00 per week.

2. **SUPPLEMENTAL DISABILITY BENEFIT** - a graduated supplemental disability plan based on length of service.

The Bank provides a supplemental disability payment to persons who became disabled while active employees of the Bank. The supplemental disability payment is designed to supplement the statutory disability benefit up to the level of the employee salary prior to the disability.

Hourly paid employees are not eligible for this supplemental benefit.

The first 5 days of an approved disability are covered at 100% of weekly salary. Thereafter, the supplemental disability benefit is as follows:

LENGTH OF SERVICE:*	SUPPLEMENTAL BENEFIT*:
4 weeks - 12 months	50% of weekly salary for up to 2 weeks
13 months - 60 months	60% of weekly salary for up to 9 weeks
61 months - 120 months	70% of weekly salary for up to 19 weeks
121 months - 180 months	80% of weekly salary for up to 25 weeks
181 months - and over	100% weekly salary for up to 25 weeks

* Length of service is measured as of the start of an approved disability.

If your disability necessitates an absence of more than seven consecutive days, contact the benefits department of Human Resources as soon as possible. You will be provided with the necessary steps to initiate a disability leave claim with the bank’s administrator.

Throughout your disability, it is your responsibility to provide the Bank’s disability leave administrator with appropriate medical information, as follows:

- Within two weeks of the first day of your absence.
- When it has been four to six weeks since the last medical update.
- Following the birth of a baby.

When a current disability form or medical update is not received by our administrator, all supplemental and statutory disability payments will cease until the necessary information is received.

While you are on disability, your employment status will be governed by the Bank’s Family and Medical Leave policy and the applicable federal, state and local disability statutes. (see the Family and Medical Leave section of the Handbook).

Long Term Disability

All salaried employees (working a minimum of 30 hours per week) are automatically enrolled on the Long Term Disability Plan upon completion of 12 continuous months of service. If eligible, after completing 26 weeks on Short-term Disability, this Plan may pay you an income equivalent to 60% of your base salary to a specified Plan maximum. Since there are restrictions and limitations under this Plan, please be sure to carefully review the Plan summary when it is issued to you.

Hourly paid employees are not eligible for this supplemental benefit.

Workers' Compensation

In accordance with the Laws of New York State, the Bank carries Workers' Compensation Insurance. This insurance covers hospital and medical expenses for injuries arising from and in the course of employment, including Bank-sponsored after-work and off-premises activities. Workers' Compensation Insurance also covers hospital and medical expenses for certain illnesses suffered by staff while traveling on Bank business. All medical expenses will be paid by Workers' Compensation, not your regular insurance carrier.

All employees are covered on their first day of employment. If an injury occurs, a Workers' Compensation injury report must be filed immediately. If the claim is approved, the Bank will pay your **full salary** for **4 weeks**. Thereafter, the Workers' Compensation Insurance Carrier will continue compensation payments at **two-thirds of your average weekly wage, up to the state mandated maximum. These payments may be reduced depending on the degree of the disability.** Compensation will continue during your loss of time from work, payable every two weeks, as long as there is medical proof of disability. If there is divergent medical opinion, these matters are litigated and decided at hearings before the Workers' Compensation Board. **In light of this, compensation payments may be affected.** The Benefits Department will assist in coordinating your compensation payments with the Workers' Compensation Insurance Carrier.

Any injury sustained while at work, regardless of how minor it may appear, should be reported to your supervisor immediately. He or she will arrange for the preparation and filing of the required under the Workers' Compensation Law with the Human Resources Department.

While you are on Workers' Compensation, your employment status will be governed by the Bank's Family and Medical Leave policy (see the Leaves of Absence section of the Handbook) and federal, state and local disability statutes. If you are out of work for more than 27 weeks, it is Bank policy to terminate you from payroll.

Voluntary Insurance Plans

Voluntary Life and Accident Insurance

The Voluntary Life Insurance Plan provides separate and additional policies for life insurance protection for employees their spouses and children. This is a voluntary addition to the Group Life Insurance Plan.

The voluntary Accident Insurance insures employees, spouses and children worldwide, for any type of accident resulting in death, dismemberment, or permanent total disability. The terms and conditions of these voluntary plans are outlined in their respective plan documents. The benefits provided are payable in addition to any other insurance that may be in effect at the time of the accident.

Eligibility

Coverage is effective on the first of the month following date of hire, provided you are actively at work.

Benefit

Voluntary Life insurance can be purchased in increments of \$10,000 to a maximum of \$500,000, with a guaranteed issue amount of \$150,000 at the time of hire only. Employees interested in purchasing coverage in excess of \$150,000 (or any time after their initial hire enrollment) must go through the evidence of insurability (EOI) process.

The Voluntary Accident plan allows for coverage up to \$500,000. The terms and conditions for both voluntary life insurance and voluntary accident insurance plans are outlined in the plan documents. Please review the plan documents for coverage details.

Cost

These plans are voluntary and premiums are deducted from an employee's salary. Premium costs are calculated based on age and coverage amount.

401(k) Plan

Eligibility

All salaried employees are automatically enrolled into the 401(k) Plan at a 3% deferral contribution as of their date of hire following a 30-day administrative period. Each year, the deferral rate for employees who were auto enrolled will automatically increase by 1%, until they reach 5%. Employees may change their deferral amount or opt out of this plan by contacting the Bank's 401k administrator directly. The contact information for the plan administrator and the terms and conditions of the 401(k) Plan are outlined in the plan documents.

Hourly paid employees are not eligible for this supplemental benefit.

Pre-Tax Commuter Benefits

The Bank offers a pre-tax commuter benefit plan for all New York City employees that enables employees to defer up to \$270 per month in pre-tax dollars for qualified commuting expenses and/or up to \$270 per month in pre-tax dollars for qualified parking expenses. This program accords with Section 125 of the Internal Revenue Code.

Tuition and Education Programs

This policy covers the following:

- Tuition Reimbursement for Degree Programs (Associate, Bachelor, Master, or Doctorate)
- Outside Course or Program Reimbursement (Non-Degree Programs)
- Professional Certifications

Apple Bank is pleased to offer education benefits to its full-time employees with at least one year of service at the time of application.

Send all applications for Tuition Reimbursement to CorporateLearning@applebank.com.

Employees are required to sign a wage deduction agreement that shall permit the Bank to deduct from any remaining wages (including vacation accruals), the entire amount of tuition received if the employee voluntarily leaves the employ of the Bank within one (1) year of receiving any form of education or tuition reimbursement pursuant to this program (Sections 1, 2, and 3).

Section 1: Degree Programs

- Undergraduate and Graduate courses leading to a degree are reimbursable under the following guidelines:
 - The employee submits a *Tuition Reimbursement Application* at least two weeks prior to the course start date that contains the Department or Division Head signature of approval
 - The course must be a part of a **job-related degree program** as determined by the Department or Division Head and Corporate Learning
 - Courses for credit that are not part of a degree program must be job related
- Courses are reimbursed on the following schedule:
 - Grade of A or B 100% Tuition Reimbursement
 - Grade of C 70% Tuition Reimbursement
 - Grades D or below No Reimbursement
- There is a maximum of \$5250 tuition reimbursement per year
- Required fees, with documentation, are eligible for reimbursement
- Books are not eligible for reimbursement

Section 2: Certificate Programs from an Accredited College or University

- Certificate Programs from accredited schools of continuing education are reimbursable under the following guidelines:
 - The certificate is directly related to the current job as determined by the Department or Division Head and Corporate Learning
 - The employee submits a *Tuition Reimbursement Application* at least two weeks prior to the course start date that contains the department or division heads signature of approval
- Certificate programs are reimbursed 100% (up to the Tuition Reimbursement maximum of \$5250 per year) upon submittal of proof of completion issued by the college or university.
- Required fees, with documentation, are eligible for reimbursement
- Books are not eligible for reimbursement

Section 3: Job Related Certifications not issued by a College or University

- Job-related certificate programs and certification study programs may be approved and reimbursed under the following circumstances:
 - The certificate is directly related to the employee's current job as determined by the Department or Division Head and Corporate Learning
 - The employee submits a *Tuition Reimbursement Application* at least 10 days prior to the course start date that contains the department heads signature of approval
- Certificate programs and associated certification study materials that do not issue formal grades are reimbursed up to 100% (up to the Tuition Reimbursement maximum of \$5250 per year) upon submittal of proof of completion.
- Required fees, with documentation, are eligible for reimbursement

Section 4: Job Specific Training

- The Bank will cover courses based on skill development for employees within current roles, as determined by Senior Management and Corporate Learning, at 100%.
- Employee's must have a written and approved development plan in place in order to take outside job-related training
- All training must be arranged in partnership with Corporate Learning
- These types of courses may be exempt from the one-year of service requirement. The Department or Division Head along with Corporate Learning will determine eligibility

Reimbursement Requirements

At the conclusion of the course or program, the following documents are required to process reimbursement:

- Your approved application
- Your grade report, proof of course/completion, or certification completion
- Proof of payment of tuition and/or fees
- Completed ACH form for direct deposit of reimbursement along with a voided check or bank statement

Complete all forms and email them to corporatelearning@applebank.com.

Note that all forms are available at: ADP/Resources/Forms Library/Benefits/Tuition Reimbursement

Employee Incentives

Employee Referral Award

If your employee referral is hired and remains in our employ for 3 months, you will be awarded \$1,000, provided you are still in the employ of the Bank.

In order to qualify for this award, be certain that you are credited as the source for the hire and that your applicant has entered your name on the application form as the referrer. If the new hire was processed through another source such as a staffing agency or your name does not appear on the application, we cannot disburse the award. Talent Acquisition Specialists are not eligible for an award since part of their responsibility is to recommend potential employees. Any employee at or above the vice president level is also not eligible for the award.

Employee Accounts & Bank Services*

The Bank offers employees certain discounts on certain Bank products and services. Please contact the Human Resources Department for details of any discounts or services currently available. The following outlines the waiver of charges-or discounts on the following accounts and services provided to our employees:⁴

Bank Floor Services

⁴ Upon separation of employment for reasons other than retirement, the above detailed waiver of fees and charges will no longer be applicable. Account maintenance fees and service charges will be applied based upon the product established.

Monthly minimum balance maintenance charges will be waived on the following types of accounts if minimum daily balances are not maintained.

NOTE: Limited to two (2) accounts per class and employee's name must be primary on each account.

- Savings (Passbook/Statement Account)
- Money Market
- Now/Checking

Now/Checking and MMDA Accounts

The following charges will be waived:

- Check Printing Fees for most single style checks
- Additional supply of micro encoded deposit tickets
- Stop Payment on Checks/EFT Debits

Traditional and Roth IRAs

- No annual maintenance fee

Health Savings Account (HSA)

- No annual maintenance fee

Unsecured Line of Credit

- An Unsecured Overdraft Line of Credit (LOC) of up to \$500 is available for an Apple Bank checking account. You must be an employee of the bank at the time of the application and will not be subject to the established approval process for unsecured lines of credit.
- Employees may apply for an Unsecured Overdraft LOC greater than \$500 up to a maximum aggregate amount of \$3,000. In these cases, the application will be subject to the established approval process for Unsecured Lines of Credit.
- LOC Annual Percentage Rate is currently 14.5%
- Completed applications must be returned to hradmin@applebank.com

Other Services

The following charges will be waived:

- Lost Passbook/Account Title Changes
- Lost ATM Card or ATM/Debit Card Replacement

- Network ATM/POS charges on employee-coded accounts
- Smallest size Safe-Deposit Boxes (**subject to availability**), otherwise ½ off next smallest size – limited to one (1) box
- Money Orders/Official Bank Checks
- Wire Transfers – outgoing or incoming. NOTE: \$10 charge applies to outgoing CXI foreign wires

*Upon separation of employment:

1) For employment termination reasons other than retirement, the above detailed waiver of fees and charges will no longer be applicable. Account maintenance fees and service charges will be applied based upon the product established.

Part-Time Employee

Benefits for Which There Is No Entitlement

- Health Insurance
- Long Term Disability
- Wage Continuation
- 401(k)
- Tuition Reimbursement
-

*Standard charges will be assessed upon the termination of employment with Apple Bank for Savings.

Leaving the Bank

Termination

All employees are requested to provide two weeks advance written notice of resignation, which should include the reason for and date of resignation. Failure to give written notice will result in the employee being ineligible for the payment of unused vacation time for the year to date, and may result in ineligibility for re-employment.

Employees who are absent from work for three consecutive days without being excused or giving proper notice to the Bank will be considered as having voluntarily quit.

Retirement

Employees planning to retire should contact the Benefits team at benefits@applebank.com to discuss retirement plans and any options that may apply.

All employee benefit programs are subject to amendment or termination, even after retirement, at the Bank's sole discretion.

Return of Property

Upon separation from the Bank, all reports, files, memoranda, records and software, credit cards, cardkey passes, door and file keys, computer access codes or discs and instructional manuals and other physical or personal property which the employee has received or prepared or helped prepare in connection with his/her employment with the Bank, and any copies, duplicates, reproductions or excerpts thereof must be returned by the employee on or before the last day of work.

Upon separation from the Bank, you must discontinue use of the Bank's voice-mail system.

**Complaint Form for Reporting Sexual Harassment,
Other Discriminatory Harassment, Discrimination, or Retaliation**

If you believe that you have been subjected to unlawful discrimination, harassment (including sexual harassment), retaliation, or any other conduct prohibited by the Bank's policies, the Bank strongly encourages you to follow the complaint procedure as set forth in Apple Bank's Employee Handbook, which includes completing the below form. You will not be retaliated against for filing a complaint in good faith.

Please submit this form to your supervisor or Human Resources.

Name: _____

Address: _____

Phone Number: _____

Email Address: _____

Position: _____

Immediate
Supervisor: _____

Immediate
Supervisor's Position: _____

Please identify who your complaint of harassment, discrimination or retaliation is about. Include the individual(s) name, position, and relationship to you:

In your own words, please describe what happened and how it is affecting you (or someone else's) work (include all relevant dates). Please use additional sheets of paper if necessary:

Is the harassment, discrimination or retaliation continuing? If so, please describe what is happening and how it is affecting you (or someone else's) work (include all relevant dates):

Please list the names and contact information of any witnesses or individuals who may have information related to your complaint:

Please list any documents, written communications or other electronic or written records you suggest we review:

Please list anybody you have spoken to about this situation and when you spoke to each individual:

Signature _____ Date: _____

Apple Bank for Savings

ACKNOWLEDGMENT OF RECEIPT OF HANDBOOK

I acknowledge that I have received a copy of the Apple Bank's Employee Handbook (the "Handbook") and that I have read and understand all the provisions of the Handbook.

I acknowledge that from the date of hire and at all times thereafter, I am an employee at-will, which means that either I or the Bank can terminate my employment at any time, with or without cause or notice.

I acknowledge that the information in the Handbook represents guidelines only and that the Bank reserves the right to modify the Handbook or amend or terminate any policies, procedures, or employee benefit programs at any time, or to require and/or increase contributions toward its benefit programs.

I understand that the Handbook is not a contract of employment, express or implied, between me and the Bank and I should not view it as such.

I further understand that no supervisor or representative of the Bank other than the President has any authority to enter into any agreement guaranteeing employment for any specified period of time. I understand that any such agreement, if made, shall not be enforceable unless it is in writing and signed by both me and the President.

I understand that all telecommunications equipment, computers, electronic mail and Internet access that may be provided by the Bank are and remain the sole property of the Bank and I hereby consent to the inspection, monitoring, storage and/or reviewing of any information received or transmitted on such equipment by a Bank agent or representative. I also understand that any desks, lockers and other storage devices that may be provided by the Bank are and remain the sole property of the Bank and I hereby consent to the inspection of such equipment by a Bank agent or representative at any time.

I acknowledge receipt and understanding of the Bank's Equal Employment Opportunity and Anti-Harassment Policy and Procedures. I will adhere to these policies and I am committed to the enforcement thereof. I understand that if I engage in any conduct that is prohibited by these policies, I will be subject to discipline up to and including termination of my employment.

I also understand and agree that the Handbook is the property of the Bank, this version of the Handbook supersedes any prior versions that have been issued by the Bank and other Bank policies, procedures, and practices covered under the Handbook.

Signature of Employee

Date