

MID PENN BANCORP, INC.

Whistleblower Policy

**Last Date of Board Review/Approval:
08/22/18**

Original Board Approval Date: 04/23/03
Person Responsible for Policy: Director of Internal Audit
Date Last Revised: 08/22/18

PURPOSE

Under Sections 301 and 806 of the Sarbanes Oxley Act, audit committee members are required to ensure that procedures are in place that will “provide a confidential and anonymous communication channel for employees to report concerns regarding questionable accounting or auditing matters” and ensure that employees are aware of the reporting procedures and Mid Penn Bancorp, Inc.’s “whistleblower” protection policy.

It is the policy of Mid Penn Bancorp, Inc. and all subsidiaries (the “Company”) to comply with and require its employees to comply with all accounting, internal accounting, and auditing controls and procedures. Every employee of the Company has the responsibility to assist in meeting these legal and regulatory requirements.

The Company’s internal operating controls are intended to prevent, deter, and remedy any violation of the applicable laws and regulations that relate to accounting and auditing controls and procedures. The Company has a responsibility to investigate and report to appropriate governmental authorities, as required, any violations of applicable legal and regulatory requirements relating to accounting and auditing controls and procedures and the actions taken by the Company to remedy such violations.

This policy governs the process through which employees can anonymously notify representatives of the Company, the Audit Committee, and the Board of Directors of Mid Penn Bancorp, Inc. of potential violations or concerns. In addition, this policy establishes a mechanism for responding to, and keeping records of, any complaints from employees regarding such potential violations or concerns.

REPORTING ALLEGED VIOLATIONS OR CONCERNS

If an employee reasonably believes or has concerns regarding questionable accounting, internal controls, or auditing matters, the employee should immediately report any such potential violation to:

NAVEX Global EthicsPoint
Toll-Free Hotline: (844) 406-2418
Web Portal: <https://midpennbank.ethicspoint.com>

NAVEX Global EthicsPoint provides a 24 hours per day, 7 days per week, 365 days per year anonymous toll-free hotline and web-reporting service that utilizes specially trained and experienced legal transcriptionists to create intake reports.

All callers accessing the NAVEX Global EthicsPoint hotline will be advised that they have reached the Mid Penn Bank hotline and will be asked if you would like to file a new report, or follow up on an existing report. The communication specialist will then guide callers through a series of questions designed to gather appropriate information to compile a valid report.

When finished, each caller will be asked to assign a password to his or her report. The password will enable the caller to follow up on his or her prior report for management’s response. The caller will be given a case reference number as well to identify the anonymous report for follow-up.

The complaint should assure a clear understanding of the issues raised. The complaint should be factual rather than speculative or conclusory, and should contain as much specific information as possible to allow for proper assessment. The complaint describing an alleged violation or concern should be candid and set forth all of the information that the employee knows regarding the allegation or concern. In addition, all complaints must contain sufficient corroborating information to support the commencement of an investigation. The Company may, in its reasonable discretion, determine not to commence an investigation if a complaint contains only unspecified or broad allegations of wrongdoing without appropriate informational support.

INVESTIGATION OF COMPLAINTS

Upon receipt of the complaint by the Investigating Officers, which is a pre-determined group consisting of two members of the Board of Directors' Audit Committee, the Director of Human Resources, the Security and Facilities Officer, the Chief Operating Officer, the Senior Compliance Officer, the BSA Officer, and the Director of Internal Audit, a determination will be made whether a reasonable basis exists for commencing an investigation into the complaint. To assist in making this determination, the Investigating Officers may conduct an initial, informal inquiry. Other parties may become involved in the inquiry based on their oversight responsibility or expertise.

Upon making a determination to recommend a formal investigation, the Investigating Officers will promptly notify the Audit Committee. The Audit Committee will then determine, in its reasonable judgment, whether a reasonable basis exists for commencing a formal investigation into the complaint. If the Audit Committee makes such a determination, then it shall instruct the Investigating Officers to proceed with a formal investigation. The Investigating Officers shall oversee all investigations under the authority of the Audit Committee. The Audit Committee shall ensure coordination of each investigation and shall have overall responsibility for implementation of this policy. The Audit Committee shall have the authority to retain outside legal or accounting expertise in any investigation, as it deems necessary to conduct the investigation in accordance with its charter and this policy.

All complaints will be handled in a confidential manner. In no event will information concerning the complaint be released to persons without a specific need-to-know basis. Investigation of complaints will be prompt. The determination by the Investigating Officers will be communicated to NAVEX Global via the EthicsPoint web portal.

At each quarterly meeting of the Audit Committee, the Director of Internal Audit will provide and review a report stating the nature of each complaint for the prior quarter, the status of investigation if the complaint resulted in a formal investigation, or other disposition if the complaint did not result in a formal investigation.

CORRECTIVE ACTION

The Audit Committee, with the input of management, if requested, will determine the validity of a complaint and any corrective action, as appropriate. It is the responsibility of the Audit Committee to inform Company management of any identified noncompliance with legal and regulatory requirements and to assure that management takes corrective action including, where appropriate, reporting any violation to the relevant federal, state, or regulatory authorities. Directors, officers, and employees that are found to have violated any laws, governmental regulations, or Company policies will face appropriate, case-specific disciplinary action, which may include demotion or discharge.

NO RETALIATION FOR SUBMITTING COMPLAINTS, PROVIDING INFORMATION, OR PARTICIPATING IN INVESTIGATION

The Sarbanes Oxley Act prohibits the Company from discharging, demoting, or otherwise discriminating against any employee who lawfully provides information believed to constitute a violation of the securities laws or financial fraud statutes.

Any employee who believes that his or her rights against retaliation or discrimination have been violated may file a complaint with the Department of Labor within 90 days of the alleged violation. If the Department of Labor has not issued a final decision within 180 days of the filing of the complaint, the employee has the right to file suit against the Company in a federal court with proper jurisdiction.

RETENTION OF COMPLAINTS AND DOCUMENTS

All complaints regarding accounting, internal accounting controls, or auditing matters will remain confidential to the extent practicable. In addition, all written statements, along with the results of any investigations relating thereto, shall be retained by the Company for a minimum of six years.

It is illegal and against the Company's policy to destroy any audit records that may be subject to or related an investigation by the Company or any federal, state, or regulatory body.

COMPLIANCE WITH THIS POLICY

All employees must follow the procedures outlined herein and cooperate with any investigation initiated pursuant to this policy. Adhering to this policy is a condition of employment. The Company must have the opportunity to investigate and remedy any alleged violations or employee concerns, and each employee must ensure that the Company has an opportunity to undertake such an investigation.

This policy does not constitute a contractual commitment of the Company. This policy does not change the at-will employment status of an employee. Specifically, employment is for an indefinite period of time and is terminable at anytime with or without cause.