Compensation Committee Charter

Approved and Adopted
January 23, 2019

I. PURPOSE

The Compensation Committee shall have direct responsibility for the compensation of the Bank's executive officers. For this purpose, compensation shall include:

- Annual base salary;
- Annual incentive opportunity;
- Issuances of stock options and other awards under the Amended and Restated 2004 Long-Term Incentive Plan and other equity compensation plans;
- Profit sharing plans;
- The terms of the Change of Control Severance Plan for Key Corporate Personnel and other employment agreements, severance arrangements and change in control agreements, in each case as, when and if appropriate;
- Any special or supplemental benefits; and
- Any other payments that are deemed compensation under applicable federal securities and banking laws, rules and regulations.

The Compensation Committee shall endeavor to design all incentive compensation arrangements that:

- Provide employees with incentives that appropriately balance risk and reward;
- Are compatible with effective controls and risk-management; and
- Are supported by strong corporate governance by both management and the Board, in general, and this Compensation Committee in particular.

II. ORGANIZATION

The Compensation Committee shall consist of at least three of the Bank's non-employee directors. Members of the Compensation Committee may be removed at any time by action of the Board. The Compensation Committee's chairperson shall be designated by the Board. The Compensation Committee may form and delegate authority to subcommittees when appropriate. Each member of the Compensation Committee must be a "non-employee director" under Rule 16b-3 of the Securities Exchange Act of 1934, an "outside director" under Internal Revenue Code Section 162(m) to the extent Section 162(m) remains relevant, and an "independent director" under the NASDAQ listing requirements.

III. MEETINGS

The Compensation Committee shall have, at a minimum, two meetings per year. Such other meetings may be called as circumstances require. The Compensation Committee's chairperson may call discretionary meetings. Committee meetings may be held telephonically or via similar communications equipment in accordance with the Bank's By-laws. Committee actions may be taken by unanimous written consent. A majority of Committee members is required for a quorum. The CEO may not be present during deliberations or voting on his or her compensation.

IV. AUTHORITY AND RESPONSIBILITIES

To fulfill its responsibilities, the Compensation Committee shall:

1. Review and approve on an annual basis corporate goals and objectives relevant to Chief Executive Officer ("CEO") compensation, evaluate the CEO's performance in light of those goals and objectives and, either as a committee or together with the other independent directors (as directed by the Board), determine and approve the CEO's compensation level based on this evaluation. In determining the long-term incentive component of CEO compensation, the Compensation Committee will also consider, among such other factors as it may deem relevant, the Bank's performance, shareholder returns, the value of similar incentive awards to chief executive officers at comparable banks and the awards given to the CEO in past years.
2. Review and determine compensation of other executive officers on an annual basis.
3. Review and make recommendations to the Board with respect to policies relating to compensation.
4. Make recommendations to the Board with respect to the Bank's equity compensation plan.
5. Administer the Amended and Restated 2004 Long-Term Incentive Plan and other equity-based plans and the Change of Control Severance Plan for Key Corporate Employees.
6. Approve all compensation awards (with or without ratification or approval of the Board) for executive officers, other key employees and all other employees as may be required to comply with applicable tax, corporate and banking laws, as well as FDIC and stock exchange rules. The Committee may delegate such authority to the CEO or the Chairman to make off-cycle equity awards (e.g., new hires, promotions, etc.) other than to non-employee directors and executive officers.

Specifically included will be:

- Senior executives and others who are responsible for oversight of the organization's firm-wide activities or material business lines;
- Individual employees, including non-executive employees, whose activities may expose the organization to material amounts of risk (*e.g.*, managers with large underwriting limits relative to the organization's overall risk tolerance); and
- Groups of employees who are subject to the same or similar incentive compensation arrangements and who, in the aggregate, may expose the organization to material amounts of risk, even if no individual employee is likely to expose the organization to materials risk (*e.g.*, loan officers who, as a group, originate loans that account for a material amount of the organization's credit risk).

7. Review the Bank's compensation disclosures in its annual proxy statement and its Annual Report on Form 10-K filed with the FDIC. Review and discuss with management the Bank's Compensation Discussion and Analysis ("CDA") and other compensation disclosures. Recommend to the Board whether such compensation disclosures and CDA should be included in the Bank's Annual Report on Form 10-K or annual proxy statement filed with the FDIC, as applicable.
8. Prepare any report required by applicable rules and regulations or listing standards, including the report required by the FDIC to be included in the Bank's annual proxy statement or, if the Bank does not file a proxy statement, in the Bank's Annual Report filed on Form 10-K with the FDIC.
9. Periodically review and make recommendations to the Board regarding the fees, equity awards and benefits payable to non-employee directors of the Bank for their service on the Board and on Committees of the Board.
10. Periodically assess competitiveness of compensation levels and practices applicable to executive officers and approve appropriate survey sources or peer groups for this purpose.

11. Evaluate compensation policies and practices for *all* employees to ensure they do not pose risks that are reasonably likely to have a material adverse effect on the Bank. For purposes of identifying risk, the Committee shall look at all risks, including credit, market, liquidity, operational, legal, compliance and reputational.

    In evaluating whether the Bank's incentive compensation arrangements balance risk and reward, the Committee shall evaluate such factors as it deems relevant, including but not limited to the relevant time horizon, the differences between employee groups, the performance metrics employed, the retention of judgment and discretion in determining payouts, the timing of payouts and the capped or uncapped nature of the award opportunity.

12. Establish and review annually senior executives' compliance with the Bank's stock ownership and retention guidelines.
13. Establish and administer clawback/recoupment policies.
14. Oversee trading policies and anti-hedging and pledging policies applicable to non-employee directors, senior executives and such other employees as the Committee deems appropriate.
15. Consider the results of the most recent say on pay (SOP) vote in connection with the Compensation Committee's ongoing determinations and recommendations regarding executive compensation policies and practice.
16. With respect to the SOP advisory vote, the Committee shall (i) review and discuss with management the wording of the proxy statement discussion and resolutions for the SOP advisory vote by shareholders on executive compensation; (ii) review, evaluate and discuss the results of the advisory vote with management; and (iii) review and discuss with management the appropriate frequency of SOP advisory votes by shareholders.
17. Advise the Board on management proposals to shareholders (*e.g.*, SOP, equity plan proposals) on executive compensation matters and proposals received from shareholders on executive compensation matters.
18. Make grants of equity awards under the 2004 Long-Term Incentive Plan and other equity-based plans.
19. Approve the terms of the grant agreements for all equity awards.
20. Approve for recommendation to the Board the adoption of new incentive compensation and equity-based plans.
21. Approve the material terms of employment offers for executive officers and key employees.
22. Review and approve employment agreements and severance plans and agreements for executive officers and key employees.
23. Periodically review succession planning and changes to executive level organizational structure.
24. Review and reassess the adequacy of this Charter annually and recommend to the Board any changes deemed appropriate by the Compensation Committee.
25. Review its own performance annually.
26. Report regularly to the Board.
27. Perform any other activities consistent with this Charter, the Bank's By-laws and governing law, as the Compensation Committee or the Board deems necessary or appropriate.

Nothing in this Charter shall preclude the Board from discussing CEO or non-CEO compensation generally or any other subject.

V. RESOURCES

The Compensation Committee shall have the resources and sole authority to select, retain, terminate and approve the compensation and other retention terms of compensation consultants to assist the Compensation Committee in the evaluation of director, CEO or senior executive compensation, or any special counsel or other advisor to assist the Compensation Committee with regard to any of its activities, without seeking approval of the Board or management. The Compensation Committee may request any officer or employee of the Bank or the Bank's outside counsel to attend a meeting or to meet with any members of, or advisors or consultants to, the Compensation Committee. The Compensation Committee shall be directly responsible for the oversight of the work of any such compensation consultant, special counsel, or other advisor retained by the Compensation Committee.

The Compensation Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the sole authority to retain any compensation consultant, special counsel, or other advisor appointed to advise the Compensation Committee. Such resources shall also include the authority to determine the fees and to direct the Bank to pay such fees to such advisors, and to pay any other ordinary administrative expenses of the Compensation Committee that are necessary or appropriate in carrying out its duties. Such authority shall be exercisable without seeking approval of the Board or management.

When appointing or receiving advice from any compensation consultant, special counsel, or other advisor to the Compensation Committee, the Compensation Committee shall consider whether such person has any material relationship with the Bank and is otherwise independent of the Bank. In determining whether a compensation consultant, legal counsel, or other advisor to the Compensation Committee is independent of the Bank, the Compensation Committee shall consider the factors set forth in NASDAQ listing standards with respect to advisor independence.

The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary or advisable from time to time to fulfill its responsibilities or comply with applicable laws, rules or regulations. In addition, the Committee may amend any procedures or standards set forth in this Charter as it deems necessary from time to time to comply with applicable laws, rules or regulations. Nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee.