

COMPENSATION COMMITTEE CHARTER

Purpose of Committee

The purpose of the Compensation Committee of the Board of Directors of the Bank is to discharge the Board's responsibility relating to the compensation of its executive officers.

Committee Membership

The committee will consist of two or more members of the Board. The Board will appoint the members of the Committee. Members will serve at the pleasure of the Board for terms determined by the Board.

Committee Structure

The Committee will designate one member of the Committee as its Chair. The committee will meet in person or telephonically at least annually or more frequently as deemed necessary by the Committee or its Chair.

The Committee may invite such members of management to its meetings, as it may seem appropriate, consistent with the maintenance of the confidentiality of compensation discussions. The CEO should not attend meetings where the CEO's performance or compensation is discussed, unless specifically invited by the Committee.

Responsibilities

The Committee's fundamental responsibilities are:

- establishing the Bank's general compensation philosophy for its compensation programs;
- reviewing and approving the corporate goals and objectives related to the compensation of the CEO;
- evaluating the CEO's performance in light of those goals and objectives; setting the CEO's compensation level based on this evaluation;
- making recommendations to the Board with respect to the Corporation's incentive compensation plans and equity-based plans;
- in consultation with management, to oversee compliance with federal and state laws and regulations as they affect compensation matters.

Committee Reports

The committee may produce reports to the Board and or management providing a summary of the actions of the committee meetings.