

Compensation & Management Development Committee Charter

1. *Members.* The Committee shall consist of at least three solely independent directors, including a chair and such other independent directors as the Board shall appoint. An “independent director” is a director who meets the NASDAQ definition of “independence,” as determined by the Board.

2. *Purpose, duties and responsibilities.* The purpose of the Committee shall be to carry out the Board of Directors’ overall responsibility relating to executive and director compensation and management development. To carry out this purpose, the committee shall have the following authority and responsibilities:

i. To review and approve on an overall basis, the corporate goals and objectives with respect to compensation for the Chief Executive Officer. The Committee shall, at least annually, prepare a plan for the Board to evaluate the performance of the Chief Executive Officer in light of these established goals and objectives. Based upon these evaluations, the Committee shall recommend to the Board the Chief Executive Officer’s annual compensation, including salary, bonuses, and equity compensation. In evaluating the bonus and equity component of the CEO’s compensation, the Committee will seek to align the interests of the CEO with stockholders; consider the compensation practices of a relevant peer group of financial institutions; and assess the CEO’s current and expected contributions to the company’s success.

ii. To periodically review the succession plan for key officers, including the CEO, and make recommendations, when appropriate, to the Board.

iii. The Committee shall annually review the performance of the company’s senior executive officers, as provided by the CEO, as well as their salary, bonuses, and equity compensation, prior to consideration by the Board.

iv. To review the company’s bonus and equity plans and recommend changes to the Board as needed.

v. To annually review the compensation of directors and to recommend to the Board changes in director compensation. In order to recruit and retain high quality, dedicated directors, and to compensate them fairly for their time and responsibilities, the Committee shall consider the compensation levels of a relevant peer group of competitive financial institutions, and such other factors which may pertain.

3. *Outside advisors.* The Committee shall have the authority to recommend such compensation consultants, outside counsel, experts, and other advisors as it determines appropriate to assist it

in the full performance of its duties. The Committee shall have authority to approve the terms of retention of any such advisors, including fees for services, as well as authority to terminate same, subject to the approval of the Board.

4. The Committee shall report its actions and recommendations to the Board in a timely manner. The Committee shall review, at least bi-annually, the adequacy of this charter, and recommend any proposed changes to the Board for approval.