

FIRST BANK COMPENSATION AND PERSONNEL COMMITTEE CHARTER

I. Purpose

The Board of Directors (the “Board”) of First Bank (the “Bank”) has established a Compensation and Personnel Committee (the “Committee”) pursuant to the Bylaws of the Bank, with authority, responsibility and specific duties as described in this Charter. The primary purpose of the Committee is to assist the Board in discharging its responsibilities regarding the compensation of the Bank’s Chief Executive Officer, other executive officers, and the Bank’s non-employee directors.

II. Organization

The Committee shall consist of three or more directors, as determined by the Bank’s Board of Directors (the “Board”), each of whom shall meet the requirements for an independent director as set forth in NASDAQ Marketplace Rules 5605(a)(2) (with respect to general rules for determining independence of directors) and 5605(d)(2) (with respect to rules pertaining to the definition of independence as it applies specifically to committees tasked with oversight of compensation), or in such similar rule or requirement imposed by any such exchange or market on which the bank’s common stock shall then trade, in each case as such rules, regulations and requirements may be amended or supplemented from time to time, and shall satisfy any other necessary standards of independence under federal securities, banking and tax laws.

Committee members shall be appointed by the Board of Directors (the “Board”) on an annual basis or as is necessary to fill any vacancy, upon the recommendation of the Nominating and Governance Committee of the Board. Members shall serve until their successors are appointed or until their earlier resignation or removal. If any member of the Committee ceases to be independent, as set forth in this Charter, such member shall immediately resign his or her membership on the Committee. Committee members may be removed by the Board at any time, in the Board’s discretion, by a majority vote of the Board members.

The Committee’s Chairperson shall be designated by the full Board or, if it does not do so, the Committee members shall elect a Chairperson by vote of a majority of the full Committee. In addition, the Board may, or if it does not do so, the Committee may, appoint a Vice Chairperson. The Committee may form and delegate authority to subcommittees when appropriate.

III. Structure and Meetings

The Committee shall meet at least two times each year, or more frequently as necessary to carry out its responsibilities. The Chairperson of the Committee will preside at each meeting and, in consultation with the other members of the Committee, will set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The Chairperson of the Committee shall ensure that the agenda for each meeting is circulated to each Committee member in advance of the meeting. The Committee may meet in person or telephonically at scheduled times and places determined by the Committee Chairperson. A majority of the

members of the Committee shall constitute a quorum for the transaction of business. Approval by a majority of the members present at a meeting at which a quorum is present shall constitute approval by the Committee. The Committee may also take action by unanimous written consent in lieu of a meeting when deemed necessary or desirable. The Committee shall keep written minutes of all meetings.

IV. Goals and Philosophy

In carrying out its responsibilities, the Committee shall ensure that there is a direct relationship between pay levels and corporate performance. The Committee shall also regularly review industry compensation data to assure that the compensation payable to the Company's Chief Executive Officer and other executive officers is competitive, creates proper incentives, rewards superior performance and helps to support long term shareholder value.

V. Responsibilities

The Committee shall have responsibility for administering the Bank's equity compensation plans, for establishing the compensation of the Bank's President and Chief Executive Officer and for recommending to the Board the compensation of the other executive officers. The Committee also establishes policies and monitors compensation for the Bank's employees in general. While the Committee does in fact, delegate authority with respect to the compensation of employees in general, the Committee retains overall supervisory responsibility for employee compensation. With respect to executive compensation, the Committee receives recommendations and information from senior staff members, as well as outside compensation consultants, regarding issues relevant to determinations made by the Committee. The President and CEO participates in Committee deliberations regarding the compensation of other executive officers, but does not participate in deliberations regarding his own compensation. In addition, and without limiting the generality of the foregoing, the Committee shall have the following specific responsibilities:

1. Review annually the compensation, including bonus payment, and performance of the President/CEO. For the avoidance of doubt, the President/CEO may not be present during voting or deliberations on his or her compensation. The Board of Directors also may require that the Committee review and recommend to the Board for approval the compensation of any or all executive officers in a given year. The executive officers shall be those defined by Regulation O and those determined by the Board of Directors at the annual reorganization meeting. Executive compensation will be tied to risk-adjusted performance, both individual performance, and overall performance by the Bank. Executive compensation also may be based on competitive data for other comparable banks.
2. Review annually a summary of reviews of all Bank employees, as well as a summary of adjustments in compensation to all employees. Said summary will be provided by the President/CEO. Annual performance evaluations will be conducted using criterion the reviewer deems relevant. The performance evaluation and the establishment of individual employee goals will factor in key risk management criterion as part of the overall evaluation.

3. Review annually the Employee Incentive Plan, as well as annual bonus pool recommended by the President/CEO based on the parameters of the Employee Incentive Plan.
4. Review and recommend to the Board for approval the issuance of any stock options, restricted stock, or other equity-based incentives, to the extent provided or allowed under any equity compensation plans previously approved by the Board and shareholders.
5. Review and recommend to the Board for approval any Severance Agreement or Change-in-Control Agreement for any executive officer of the Bank.
6. Review and recommend to the Board for approval any Employment Agreement between the Bank and any executive officer.
7. Review and recommend to the Board for approval any policy for compensation of directors.
8. Review and recommend to the Board for approval any new compensation and benefit plans, including, without limitation, cash and equity-based incentive compensation plans and non-qualified deferred compensation and retirement plans, and any amendments to or terminations of such compensation and benefit plans.
10. Annually review plans for the succession of executive officers.
11. Prepare a summary on executive compensation to be included in the Bank's annual proxy statement if then required by SEC rules, as well as recommend to the Board any other disclosures regarding the subject matter over which the Committee has responsibility.
12. Report any action taken by the Committee to the Board and make any recommendations to the Board approved by the Committee.
13. Such other duties or responsibilities expressly delegated to the Committee by the Board from time to time, as set forth in the Bylaws of the Bank or as designated in the plan documents of any Bank plan.

VI. Charter Review

The Committee shall annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval. Upon approval of the Board, the Committee shall adopt any such changes.

The Committee shall, on an annual basis, consider ways to improve its performance under this Charter. In reviewing its performance, the Committee shall evaluate whether this Charter appropriately addresses matters that are or should be within its scope and compare the performance of the Committee to the requirements of this Charter. The Committee shall also consider all matters that the Committee deems relevant to its performance, including, but not limited to, the adequacy, appropriateness and quality of the information and recommendations

presented to the Committee by management of the Bank and other advisors, the manner in which issues were discussed or debated, and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.

VII. Committee Resources

The Committee shall have the authority to obtain advice and seek assistance from internal or external legal or other advisors, and shall have the authority to retain such advisors as it deems appropriate at the expense of the Bank. The Committee shall have available to it such support personnel, including management staff, outside auditors, attorneys and consultants as it deems necessary to discharge its responsibilities. The Committee shall have the sole authority to retain and terminate any compensation consultant used to assist the Committee in evaluating executive compensation, including sole authority to approve such consultant's fees and other retention terms.