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## **FINANCE AND CAPITAL COMMITTEE CHARTER**

### **PURPOSE**

The Finance and Capital Committee shall carry out the Board's overall responsibility with respect to:

- Review and approval of the Company's budget;
- Oversight of all aspects of financial risk management and financial performance, including:
  - Capital management
  - Liquidity and funds management
  - Dividend planning
  - Interest rate risk
  - Investments
  - Hedging
  - Insurance.

### **COMMITTEE MEMBERSHIP**

The Finance and Capital Committee shall consist of no fewer than four members, including the Company's CEO.

From time to time, the Board shall appoint the members of the Finance and Capital Committee on the recommendation of the Governance Committee. The Board Chair, or Lead Director if the Board Chair is not independent, may appoint a director to serve on the Committee on a temporary basis to meet quorum requirements. The Board may replace a Committee member at any time.

### **COMMITTEE CHAIR**

The Board shall appoint one of the independent Committee members as the Committee Chair. The Committee may appoint one of its members as Vice Chair, to carry out the duties of the Committee Chair in his or her absence.

### **MEETINGS**

The Finance and Capital Committee shall meet as often as it determines, but at least quarterly. The Committee shall meet periodically with management and in executive sessions, without management present. The Committee Chair may request any officer or employee of the Company or the Company's outside advisors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

### **COMMITTEE REPORTS**

The Committee Chair shall report the Committee's activities and actions to the Board at the regular Board meeting next following each Committee meeting. The Committee may refer to the Board any matter that the Committee believes should be addressed by the Board. The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Committee shall

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annually review the Finance and Capital Committee's own performance, as it relates to compliance with this Charter.

### COMMITTEE AUTHORITY AND RESPONSIBILITIES

The Finance and Capital Committee shall have the authority, to the extent it deems necessary or appropriate, to retain independent legal, financial or other advice at the Company's expense. The Finance and Capital Committee shall have all the authority of the Board to act or exercise corporate powers with respect to the following:

1. Review and recommend the Company's annual operating budget and its capital expenditure budget;
2. Oversee the financial performance of the Company and all of its subsidiaries and business units and monitor the Company's performance as compared to budget;
3. Review and recommend dividends to the Company's shareholders and to the Company from its subsidiaries;
4. Oversee enterprise risk management functions with respect to budgeting, capital planning, and liquidity and funds management strategies and risk limits, investments, insurance, interest rate risk and facilities;
5. Establish and review compliance with the following Bank policy standards: (i) liquidity and funds management and contingency funding planning, (ii) loan to deposit, (iii) capital, and (iv) interest rate sensitivity;
6. Monitor the Company's investment portfolio, including the BOLI portfolio, and determine the quality, term and features of the investments to be made by the Company;
7. Periodically review the Company's insurance coverage, to include property and casualty, directors and officer's insurance, entity errors and omissions, fiduciary liability and other coverage carried by or recommended to the Company; and
8. Review, approve, disapprove or modify the following policies:

COMP 24.0	Non-Deposit Investment Statement and Reg R Policy
FIN 01.0	Asset Liability Management Policy
FIN 01.1	Liquidity and Funds Management Policy
FIN 01.1A	Contingency Funding Plan
FIN 03.0	UHC/UB Capital Management Policy
FIN 09.0	Interbank Liability & Correspondent Concentration Risk Management Policy

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FIN 11.0	Investment Policy
FIN 14.0	Mortgage Banking Policy
FIN 25.0	Bank Owned Life Insurance Investment Policy
FIN 28.0	Tax Policy Identifying Mark to Market & Hedge Accounts
FIN 28.0	Exhibit A Balance Sheet Designations for MTM
FIN 28.0	Exhibit B Account Designations for Hedging
FIN 30.0	Capital Stress Test Policy
OPS 1.0	Branch Opening and Closing Policy