

REPUBLIC FIRST BANCORP, INC.

COMPENSATION COMMITTEE CHARTER

A. **Purpose:**

The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Republic First Bancorp, Inc. (the “Company”) is responsible for formulating, evaluating and approving the compensation of the Company’s and Republic Bank’s (the “Bank”) officers, overseeing all compensation programs including salary and bonus programs and programs involving the issuance of the Company’s stock and other equity securities and preparing such information as is required to be included in the Company’s required reporting in accordance with applicable rules, regulations and laws.

B. **Membership:**

The Committee shall consist of not less than three members of the Board of the Company. The members of the Committee shall be appointed by the Board annually. Each member of the Committee, in the judgment of the Board, shall be (i) an Independent Director as defined by the listing standards of Nasdaq Stock Market, LLC. In addition, each person may serve on the Committee only if the Board determines that the member (i) is a “non-employee director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, or any successor rule thereto; (ii) satisfies the requirements of an “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986¹, as amended, or any successor rule thereto; and (iii) is not affiliated with the Company, a subsidiary of the Company, or an affiliate of a subsidiary of the Company such that the affiliation would impair the member’s judgment in his or her role as a Committee member.

The Chair of the Committee shall be appointed annually by the Board.

C. **Meetings and Procedures:**

The Committee shall meet at such times as it determines to be necessary or appropriate, but not less than once a year, and shall report to the Board at the next meeting of the Board following each such Committee meeting.

The Committee may adopt such rules and procedures for the conduct of its affairs as it deems necessary or appropriate if not inconsistent with the Company’s Bylaws.

A majority of the members of the Committee shall constitute a quorum.

¹ To be a qualified “outside director”, the director cannot be a current employee of the Company; be a former employee who receives compensation for prior service other than benefits under a qualified plan; be a former officer of the Company; or receive remuneration directly or indirectly from the Company in any capacity other than as a director.

The Chair of the Committee or a majority of the members of the Committee may call special meetings of the Committee.

The Committee has the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate in its sole discretion.

The Committee may request that any directors, officers or employees of the Company or the Bank, or other persons whose advise and counsel are sought by the Committee, attend any meeting of the Committee and/or provide such pertinent information as the Committee requests, except that the Chief Executive Officer of the Company shall not attend any meeting of the Committee (or any portion thereof) at which the Chief Executive Officer's compensation is discussed.

The Committee shall keep written minutes of its meetings, which minutes shall be maintained with the books and records of the Company.

D. Duties and Responsibilities:

The Committee has the following duties, responsibilities and authorities:

- Review and approve the Company's overall compensation philosophy and overseeing the administration of related compensation and benefit programs, policies and practices.
- Establish annual and long-term performance goals and objectives for the Chief Executive Officer and review the goals established by the Chief Executive Officer for other executive officers.
- Evaluate the performance of the Chief Executive Officer and review and approve the Chief Executive Officer's evaluation of performance of the other executive officers in light of approved performance goals and objectives.
- Set the compensation of the Chief Executive Officer and other executive officers of the Company. Regarding compensation for officers other than the Chief Executive Officer, the Committee shall consult with the Chief Executive Officer and the other officers of the Company as appropriate. The Chief Executive Officer will not be present during voting or deliberation on his or her compensation.
- Approve or recommend to the Board employment agreements, offers of employment and other elements of compensation provided to the Chief Executive Officer and other executive officers.
- Approve or recommend Board severance arrangements for the Chief Executive Officer and other executive officers, including change-in-control and similar provisions.

- Determine the Company’s policy with respect to the application of Internal Revenue Code Section 162(m).
- Review and recommend for approval to the Board cash-based incentive compensation plans, equity-based compensation plans, defined benefit and contribution plans and other welfare benefit plans or amendments or modifications to such plans.
- Supervise the administration of the Company’s cash-based incentive compensation plans, equity-based plans, defined benefit and contribution plans and other welfare benefit plans. The Committee may delegate responsibilities as permitted under such plans to senior management as it deems appropriate.
- Review and certify awards under performance-based plans.
- Grant options and other awards under equity-based plans.
- Retain and terminate compensation consultants to advise the Committee, as it deems appropriate, including approval of the consultant’s fees and other retention terms. Ensure that the compensation consultant retained by the Committee is independent of the Company.
- Review the non-employee or independent directors’ compensation program for competitiveness and plan design and recommend changes as appropriate to the Board.
- Review and discuss with management the Compensation Discussion and Analysis (CD&A) to be included in the Company’s annual proxy statement and determine whether to recommend to the Board that the CD&A be included in the proxy statement.
- Provide the Compensation Committee Report for inclusion in the proxy statement that complies with the rules and regulations of the Securities and Exchange Commission.
- Review and reassess the adequacy of this Charter annually and recommend to the Board any appropriate changes.
- Perform such other duties and responsibilities as may be assigned to the Committee, from time to time, by the Board.

E. Investigations and Studies; Outside Advisors

The Committee may conduct or authorize investigations into or studies of matters within the scope of the Committee’s duties and responsibilities. The Committee may, in its sole discretion retain or obtain the advice of a compensation consultant, legal counsel or other advisor (herein referred to as “advisor”). The Committee shall be directly

responsible for the appointment, compensation, and oversight of the work of any advisor retained by the Committee. The Company will provide for appropriate funding, as determined by the Committee, for the payment of reasonable compensation to the advisor.

Before selecting or receiving advice from an advisor, other than in-house legal counsel, the Committee shall conduct an independence assessment of the advisor by taking into consideration (i) the other services provided to the Company by the advisor's employer; (ii) the amount of fees the advisor's employer receives from the Company as a percentage of the total revenue of the advisor's employer; (iii) the conflict of interest policies and procedures of the advisor's employer; (iv) any business or personal relationship of the advisor with any member of the Committee ; (v) any stock of the Company owned by the advisor; and (vi) any business or personal relationship of the advisor or the advisor's employer with any Executive Officer of the Company.

The Committee is not required to conduct an independence assessment for an advisor that (i) provides consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of Executive Officers or directors of the Company, and that is available generally to all salaried employees; and/or (ii) provides information that either is not customized for the Company or that is customized based on parameters that are not developed by the advisor, and about which the adviser does not provide advice.

F. Additional Authority

The Committee is authorized to perform other duties or adopt other policies or procedures, consistent with the scope of this Charter, as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions.

Committee Approved: 2/18/2019
Board Approved: 2/26/2019