

# ConnectOne Bancorp, Inc. Compensation Committee Charter

## I. AUTHORITY AND MEMBERSHIP

**Appointment.** Members of the Compensation Committee (the "Committee") of ConnectOne Bancorp, Inc. (the "Company") will be appointed annually by the Board of Directors of the Company (the "Board") and may be removed by the Board. The members will serve until their successors are duly elected and qualified by the Board. The Committee will be composed of at least three members. In addition to those members of the Committee appointed by the Board, each other member of the Board meeting the qualifications set forth below will be an ex officio member of the Committee. As such, such ex officio member shall be entitled to vote on all actions of the Committee taken at a meeting at which such member is present, but such ex officio member(s) shall not be counted as Committee members in determining the number of Committee members required for a quorum and whether a quorum is present.

**Qualifications of Members.** All members of the Committee (both permanent and ex officio) must qualify as "independent directors" as defined under NASDAQ Rule 5605 or any successor rule and any additional standards of independence as may be prescribed for purposes of any federal securities, tax, or other laws relating to the Committee's duties and responsibilities. Each member of the Committee shall meet the definition of "outside director" for purposes of Section 162(m) of the Internal Revenue Code of 1986.

**Committee Chair and Secretary.** The Board will appoint one of the members of the Committee to serve as Committee Chair. The Committee may also appoint a secretary, who need not be a director.

**Legal, Accounting and Other Advisors.** The Committee has the authority, as it deems necessary or appropriate, to retain independent legal, accounting, or other advisors. The Committee also has the authority, as it deems necessary or appropriate, to request the Company to provide the Committee with the support of one or more Company employees to assist it in carrying out its duties. The Company will provide appropriate funding, as determined solely by the Committee, for payment of compensation to any advisors retained by the Committee. The Committee may request any officer or employee of the Company or the Company's outside counsel or other advisors to attend a meeting of the Committee or to meet with any member of, or consultant to, the Committee.

## II. OBJECTIVES

- Provide assistance to the Board of Directors in fulfilling its responsibilities to the shareholders, potential shareholders and the investment community relating to the compensation of the Company's management, including members of the Board of Directors and senior executive officers. The Committee has responsibility for evaluating and approving the benefit, bonus, incentive compensation, severance, equity-based, or other compensation plans, policies, and programs of the Company and its subsidiaries; and

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- Serve as the committee administering the Company's equity compensation plans.

### **III. RESPONSIBILITIES OF THE COMMITTEE**

#### **Charter Review**

- Review and reassess the adequacy of the Committee's charter annually and recommend to the Board any necessary or desirable changes to the charter; and
- Publicly disclose the charter and any amendments to the charter on the Company's website and/or as otherwise required by the Securities and Exchange Commission, the regulations of the primary market on which the Company's common stock is traded, and rules or regulations of any other regulatory body having authority over the Company or its securities.

#### **Compensation Approval**

- Annually review and approve corporate and/or individual goals and objectives relevant to the compensation of the Chief Executive Officer, the President and each employee with the title of Executive Vice President and more senior (the "Senior Executive Officers") and evaluate performance in light of those goals and objectives.
- Annually review and determine for the Senior Executive Officers:
  - a. The annual base level salary;
  - b. The level and requirements of any annual incentive opportunity;
  - c. The level and requirements of any long-term incentive compensation; and
  - d. Any special or supplemental benefits

In determining any long-term incentive component of compensation, the Committee will consider all such factors as it deems relevant, such as the Company's performance and relative shareholder return, the value of similar incentive awards at comparable companies and the awards granted in previous years.

- Negotiate and approve employment agreements, severance agreements, and change in control agreements or provisions with the Senior Executive Officers, in each case when and if appropriate.
- Administer and implement any and all incentive compensation and equity-based plans and awards there under, including amendments to the plans or awards made under any such plans, unless such authority is provided to the full Board under the terms of any such plans.

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- Annually review and determine the level of compensation for the Board of Directors, including cash Board fees and equity compensation, based on such criteria as the Committee shall deem appropriate.

### **Compliance Oversight**

- Periodically review the Company's insider trading policies and procedures; any and all benefit, incentive compensation, and equity-based plans; compensation agreements, plans, policies, and arrangements, and adopt necessary or desirable amendments or changes to the same, and establish procedures and mechanisms designed to cause the same, to comply with all provisions of applicable corporate, securities, tax, banking, ERISA; or other laws and regulations including those regarding:
  - a. Reimbursement of the Company for, or forfeiture of any profits, bonus or equity-based compensation by the Company's President, CEO, principal financial officer, and/or executive officers in connection with an accounting restatement;
  - b. Investment elections and changes thereto, blackout periods, and restrictions on trading by plan participants under any such benefit plans; and
  - c. Related party or affiliate transactions with the Company.

### **General**

- Form and delegate authority to subcommittees when appropriate. In creating any subcommittee, the Committee shall select the members of the subcommittee, define its powers and authorities and provide for the subcommittee to report to the full Committee on its activities.
- Report regularly to the Board with regard to the Committee's activities.
- Annually review the performance of the Committee.
- The Committee shall meet as often as may be deemed necessary or appropriate in its judgment, but not less frequently than semi-annually. The Chairman will chair all regular sessions of the Committee and set the agenda for Committee meetings.

In performing their responsibilities, Committee members are entitled to rely in good faith on information, opinions, reports, or statements prepared or presented by:

- One or more officers or employees of the Company which the Committee members reasonably believe to be reliable and competent in the matters presented;

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- Counsel, independent auditors or other persons as to matters which the Committee members reasonably believe to be within the professional or expert competence of such person; and
  
- Another committee of the Board as to matters within its designated authority.