

First Ottawa Bancshares, Inc.

Compensation Committee Charter

1. Purpose

The primary purpose of the Compensation Committee (the “Committee”) of the board of directors of First Ottawa Bancshares, Inc., and its subsidiaries (the “Company”), is to discharge the responsibilities of the board of directors relating to the compensation of the Chief Executive Officers of the Company.

2. Composition and Procedure

The Committee shall consist of at least three independent members. The board of directors shall appoint the members of the Committee. The board of directors may designate a Chairman of the Committee and shall have the power to change the membership of the Committee and to fill vacancies in it.

The Committee shall meet with such frequency and at such intervals as it shall determine necessary to carry out its duties and responsibilities. The Committee, in its discretion, may ask members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary. The Committee shall maintain minutes of its meetings and records relating to those meetings and the Committee’s activities and shall provide copies of such minutes to the board of directors. The Committee shall determine its rules of procedure.

3. Duties and Responsibilities of the Committee

The Committee’s duties and responsibilities generally are to: (1) discharge the responsibilities of the board of directors relating to the compensation of the Company’s Chief Executive Officers; and (2) evaluate and make recommendations to the board of directors relating to the compensation of individuals serving as directors of the Company. In accomplishing these responsibilities, the Committee shall possess the following powers and duties:

- In determining the compensation level of the Chief Executive Officers of the Company, the Committee should consider the performance of the Company, stockholder returns, the compensation levels of Chief Executive Officers of the Company in previous years, the compensation levels of the Chief Executive Officer at businesses comparable to the

Company and any additional factors that the Committee deems reasonable and appropriate.

- The Committee shall meet annually with the Chief Executive Officers of the Company to receive the Chief Executive Officers' evaluations of and recommendations regarding compensation performance goals and the Company's progress toward meeting those goals.
- The Committee shall review and approve all employment agreements and change of control agreements or provisions for the Chief Executive Officers and other executive officers of the Company. The Committee shall review and approve all severance agreements for the Chief Executive Officers of the Company.
- The Committee shall make recommendations to the board of directors regarding the annual compensation of directors of the Company, including incentive plans and equity-based plans. Additionally, the Committee shall make recommendations to the board of directors regarding the compensation of directors and the reimbursement of expenses with respect to directors' attendance at meetings of the board of directors and shall make recommendations to the board of directors regarding additional compensation of directors serving on committees to the board of directors, including with respect to their attendance at committee meetings.
- The Committee shall make recommendations to the board of directors regarding annual bonus plans and equity-based plans for the Company. The Committee shall adopt, approve or ratify awards under annual bonus plans and equity-based plans created by the board of directors, and shall review and monitor awards under such plans. The Committee shall ensure that such awards are administered in a manner consistent with the Company's compensation strategy and the terms of the plans with respect to participation in the plans, annual incentive targets, vesting requirements and corporate financial goals. Additionally, the Committee shall approve the submission to stockholders of all new equity based incentive plans of the Company and shall administer such plans.
- The Committee shall review with the Chief Executive Officers the management succession plans of the Company.

- The Committee shall review all compensation decisions of the Company considering the provisions of Section 162(m) of the Internal Revenue Code.
- The Committee shall act in an advisory capacity to the board of directors regarding compensation matters generally.
- The Committee shall have the sole authority and adequate funding to retain and terminate any third-party for the purpose of evaluating the performance of the directors and the Chief Executive Officers of the Company and determining the appropriate compensation for such individuals. Such third parties may include professional consultants specializing in compensation matters, as well as legal, accounting and other advisors, both internal and external.
- The Committee may form and delegate authority to subcommittees and individual members of the Committee, where appropriate, with respect to compensation matters.
- The Committee shall review and assess the adequacy of this Charter periodically and upon the resignation or termination of the Chief Executive Officers of the Company, and shall recommend any proposed amendments relating to the Committee's duties with respect to compensation matters to the board of directors for approval.
- The Committee shall report to the board of directors regarding compensation matters.

Approved by Board of Directors July 13, 2005
Revised February 13, 2013
Revised April 13, 2016