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EXCESSIVE OR LUXURY EXPENDITURE POLICY

This policy fulfills the requirements under the American Recovery and Reinvestment Act of 2009 ("ARRA") enacted February 17, 2009. ARRA requires each recipient of funds under the Capital Purchase Program ("CPP") of the Troubled Assets Relief Program ("TARP") to have in place a company-wide policy regarding excessive or luxury expenditures, as identified by the Secretary of the Department of the U. S. Treasury.

First Market Bank, FSB and its wholly-owned subsidiaries and affiliates, (individually and collectively the "Company"), prohibit excessive or luxury expenditures on entertainment and events, office or facility renovations, aviation or other transportation services, or other activities or events that are not reasonable expenditures for conferences, staff development, reasonable performance incentives, or other similar measures conducted in the normal course of business operations. This policy applies to all employees of the Company.

Renovations:

Renovations of facilities and office spaces should be relative to the approved current budget plan. An exception to this can be allowed if management must deal with an emergency situation, such as an act of nature, and the expenditure is necessary to make the facility operational for customer use. At no time should renovations be done that would have the appearance of being extraordinary or excessive from a shareholder perspective.

Entertainment:

Entertainment is defined as an activity that an employee or executive would use corporate funds for business development purposes relating to a current customer or prospective customer or to further enhance the Company's marketing efforts.

Under this policy, the Company's expectation is that all expenses incurred for entertainment would be for appropriate corporate purposes and used to attract business to the Company. Occasional events, such as taking customers or prospects on trips, playing golf, dining, or inviting them to other events the customer/prospect would find pleasurable, are a necessary part of the Company's marketing efforts and are not deemed "luxuries" or a violation of this policy. These expenses should be documented and detailed as to the benefit derived by the Company.

Other events, such as larger scale parties focused on customers for the purpose of attracting their business, would not fall under this policy.

Conferences:

The Company's directors and employees are encouraged to attend conferences that offer appropriate educational opportunities. These conferences should be related to the financial



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services industry and have a direct correlation to the employees' job duties and responsibilities. The Company also recognizes that certain directors and employees must attend conferences and seminars to retain their professional certifications and licenses (e.g., audit, accounting, legal, compliance, etc.). At times, it may be appropriate for a spouse to travel to these conferences with the Company attendee. Typically, these conferences are sponsored by vendors, banking associations, accounting firms, law firms, bar associations, or other industry related entities.

Employee Recognition Events/Holiday Parties:

Employee recognition events/holiday parties are part of an employee appreciation process. These events should be local in geographic nature, and may include such things as, but not limited to: service awards, restaurant and department store gift cards, monetary awards, movie tickets, and door prizes. An event should not cost the Company more than an average day's payroll per employee/attendee.

Board/Management Retreats:

Board or management retreats should only be used for educational purposes, and should be kept in consideration, and looked at, in the same view and discretion as all other expenses. Board education is a vital part of maintaining and retaining a dynamic director base; and this policy should not limit a retreat that is focused on strategic planning or education.

Aviation and Other Transportation Services:

Transportation for Company directors and employees to outlying locations, including bank locations, conferences, business development purposes and merger and acquisition research, should be conducted in the most cost efficient way for the Company. Modes of transportation to be used may consist of automobiles, commercial air, and rail or bus service. The selection of transportation services should include an assessment of cost, efficiency and timeliness of travel. Private air services are not allowed.