



TGR - Corporate Governance

Approved:05/15/2017

CORPORATE GOVERNANCE POLICY - GUIDELINES OF THE BOARD

Table of Contents

Table of Contents

I. BOARD MISSION

A. Director Responsibilities

B. Director Qualifications

II. FUNCTIONS OF THE BOARD

A. Criteria for Composition of the Board, Selection of New Directors

B. Succession Planning and Management Development

C. Board and Management Compensation Review

III. BOARD COMPOSITION

A. Size and Composition of the Board

B. Definition of Independence

C. Former Officer-Directors

D. Change of Job Responsibility

E. Retirement Age

F. Limits on Board and Audit Committee Memberships

G. Stock Ownership Requirements

IV. BOARD COMMITTEES

A. Committee Responsibilities

B. Composition of Committees

V. BOARD OPERATIONS

A. Executive Chairman

B. Lead Director

C. Committee and Board Agendas

D. Board and Committee Materials and Presentations

E. Regular Attendance of Non-Directors at Board Meetings

F. Board Access to Management

G. Board Interaction with Institutional Investors and Press

- H. Board Access to Outside Resources
- I. Director Orientation and Continuing Education
- J. Code of Business Conduct and Ethics
- K. Communications with the Board

I. BOARD MISSION

A. Director Responsibilities

Directors should exercise their business judgment to act in what they reasonably believe to be in the best interests of TGR Financial, Inc. (the “Company”) and its shareholders in a manner consistent with their fiduciary duties. Directors are expected to devote the time and effort necessary to fulfill their Board responsibilities, including, but not limited to, reviewing the materials sent to them in advance of meetings and being prepared to participate in the meetings. Directors should regularly attend meetings of the Board of Directors and of all Board committees upon which they serve. Directors are expected to attend the Company’s Annual Meeting of Shareholders.

B. Director Qualifications

A majority of the Company’s directors will be independent in accordance with the standards described under “Definitions of Independence” below. The Board will observe all additional criteria for independence established by The New York Stock Exchange (“NYSE”) or other governing laws and regulations. No director will be deemed independent unless the Board affirmatively determines that the director satisfies applicable independence criteria.

Directors may be nominated by the Nominations Committee of the Board, by the Board or by shareholders in accordance with the Bylaws. The Nominations Committee will review all nominees for the Board in accordance with its charter. The assessment will include a review of the nominee’s judgment, experience, temperament, independence, compatibility with the Company’s culture, understanding of the Company’s finances, business and operations, likely attendance at meetings and such other factors as the Nominations Committee concludes are pertinent in light of the current needs of the Board. The Nominations Committee will identify and nominate qualified individuals and review its recommendations with the Board. The Board shall endorse nominees for election as directors and shall recommend that the Company’s shareholders vote for the election of such nominees as directors. The Chairman of the Board and/or Chairman of the Nominations Committee should extend the Board’s invitation to join the Board. The Board will require that nominees become shareholders of the Company prior to the solicitation of proxies for their election.

C. Procedures for Nominations

Nominees for election of directors shall be selected in accordance with the terms of that certain Stockholders’ Agreement, dated as of June 26, 2012, and amended from time to time (the “**Holding Company Stockholders’ Agreement**”). No nominations for directors except those made in accordance with the Holding Company Stockholders’ Agreement shall be voted upon by the Board or the stockholders, as applicable.

II. FUNCTIONS OF THE BOARD

A. Criteria for Composition of the Board; Selection of New Directors

The Board empowers the Nominations Committee to periodically review the criteria for composition of the Board. Likewise, the Board has delegated to this Committee the responsibility to evaluate potential new candidates for Board membership in accordance with the Board’s qualifications and composition standards. See discussion at “Director Qualifications” above.

B. Succession Planning and Management Development

Succession planning is considered periodically by the Executive Committee. Generally, the Executive Committee will make management succession planning recommendations to the Board.

C. Board and Management Compensation Review

The Compensation Committee makes periodic recommendations to the Board regarding compensation of Company directors based on comparisons with relevant peer banks and industry practices. For the first three years of operation, Board members will receive no compensation.

Officer-directors receive no separate compensation for Board service.

III. BOARD COMPOSITION

A. Size and Composition of the Board

The Board shall be comprised of not less than seven (7) nor more than fifteen (15) members.

B. Definition of Independence

(1) Independence Determinations. The Board may determine a Company director to be independent if the Board has affirmatively determined that the director or the director's "immediate family member" or an "affiliated entity" of the director or of the director's immediate family member, has no material relationship with the Company. A relationship is material if, in the judgment of the Board, it would interfere with the director's independent judgment. Independence determinations will be made on an annual basis for inclusion in the proxy statement (if required by Law or Regulation) and, if a director joins the Board between annual meetings, at such time. For these purposes, a director will not be deemed independent if the director's relationship with the Company is of the type that would expressly preclude an independence determination under the rules of the New York Stock Exchange or the categorical independence standards set forth in these Guidelines.

For purposes of the independence standards set forth in these Guidelines the following are defined terms:

(a) "Affiliated Entity of a Director" means any entity: (i) where the director is a director, officer or employee or (ii) owns more than 10% of the equity of such entity; or (iii) is a general partner of such entity.

(b) "Affiliated Entity of an Immediate Family Member" means any entity: (i) where the Immediate Family Member is an executive officer; (ii) owns more than 10% of the entity; or (iii) is a general partner of such entity.

(c) "Immediate Family Member" means a director's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughter-in-law, brothers and sisters-in-law and any person who resides in the director's home.

(d) "Company" means TGR Financial, Inc.

(2) Categorical Independence Standards. The Board shall use the following categorical standards to assess the independence of the Company's directors:

(a) Relationship to an Affiliated Entity. The business relationship between the Company and the director, immediate family member or affiliated entity of the director or an immediate family member will be considered in determining director independence. Such relationships will not be deemed relevant or material to the independence of a director if the director, immediate family member, or affiliated entity of the director or the immediate family member has made payments to, or received payments from, the Company for property or services in an amount that, in any of the last five fiscal years, does not exceed the greater of \$1,000,000 or 2% of such entity's consolidated gross revenues, defined as the sum of net interest income and non-interest income.

(b) For-Profit Entities. Where a Company director, immediate family member or affiliated entity of the director or the immediate family member has a business or financial relationship with the Company, whether as a provider of services or products or as customer who obtains services or products from Company, the financial relationship between Company and the director, immediate family member or

affiliated entity of the director or the immediate family member will not be deemed material to a director's independence; provided (i) the relationship was entered into in the ordinary courses of business and on terms substantially similar to those prevailing at the time for comparable transactions with other non-affiliated person(s), or in the case of a loan, complies with Regulation O of the Board of Governors of the Federal Reserve System ("Regulation O"), (See III. B.(e)), and (ii) termination of the relationship in the ordinary course of business would not reasonably be expected to have a material and adverse effect on the financial condition, results of operations or business of the borrower or other customer.

(c) Law Firms. Where a director or immediate family member is associated as a partner or associate of, or of counsel to, a law firm that provides services to the Company or its affiliates, the relationship will not be deemed material if neither the director nor an immediate family member provides such services to the Company or its affiliates and the payments from the Company and its affiliates do not exceed 2% or \$1,000,000, whichever is greater, of the law firm's revenues in each of the past five years.

(d) Not-For-Profit Entities. The Company supports not-for-profit entities through grants and other support. Where a director or an immediate family member is a director, manager or officer of a not-for-profit entity, contributions by the Company will not be deemed material if, Company's contributions do not exceed 5% of a not-for-profit entity's total revenues.

(e) Personal Banking and Other Financial Services. Where the Company's banking and financial affiliates provide services to a director, immediate family member or affiliated entity of a director or immediate family member, such relationship will be deemed to be independent in the following circumstances:

(i) The Company provides personal banking and other financial services to individuals in the ordinary course of its business. The Sarbanes-Oxley Act prohibits loans to directors, executive officers and Immediate Family Members, except certain loans in the ordinary course of business by an insured depository institution in accordance with the requirements of Regulation O from its subsidiary bank. All such loans that:

(a) are made on substantially the same terms, including interest rates and collateral, as, and following credit underwriting procedures and standards that were not less stringent than, those prevailing at the time for comparable transactions with other non-affiliated persons; and

(b) do not involve more than the normal risk of collectability or, from the company's perspective, present other unfavorable features.

Such loans will not be deemed material for director independence determinations unless a director has an extension of credit that is disclosed in the most recent federal bank examination as non-accrual, past due, restructured or potential problems.

(3) Audit Committee Requirements. Director members of the Company's Audit Committee shall also satisfy the "independence" requirements of Rule 10A-3(b) (1) of the Securities and Exchange Commission ("SEC").

C. Former Officer-Directors

As a general rule, an officer-director is not restricted from serving on the Board beyond the date he or she retires or resigns as a full-time officer.

D. Change of Job Responsibility

A Director may be required to offer his or her resignation following the loss of his or her principal occupation other than through normal retirement or dismissal without cause.

E. Retirement Age

Each Director who reaches the age of 75 during his or her directorship term is expected to resign upon their 75th birthday. Notwithstanding the foregoing, a Director who reaches the age of 75 during a current term may serve out their term at the discretion of the committee and may be replaced at the next Annual Meeting of the Company Shareholders.

F. Board and Audit Committee Memberships

Each person serving as a Director must devote the time and attention necessary to fulfill the obligations of a Director. Key obligations include appropriate attendance at Board and committee meetings and appropriate review of preparatory material. Directors will review proposed service on the Board of any additional public company or any governmental position with the Committee.

If a member of the Audit Committee wishes to serve on more than a total of two audit committees of publicly-held companies, the Board must approve such additional service before the Director accepts the additional position.

G. Stock Ownership Requirements

Each Company Director shall beneficially own a minimum of 100 shares of Company common stock. Newly appointed or elected directors shall have up to eighteen (18) months to accumulate the minimum number of qualifying shares. Each Company Director shall retain ownership of Company common stock issued to the Director by the Company for a minimum period of twelve months following the issuance date.

IV. BOARD COMMITTEES

A. Committee Responsibilities

The Board as a whole is responsible for the oversight of management on behalf of the Company's stockholders. The Board is assisted in its oversight function by various Board committees.

The Board has the following committees: Audit, Nominations, Executive and Compensation.,

(1) The Board has allocated oversight of the Company's internal and external audit processes to the Audit Committee. The director members of the Audit Committee shall satisfy the criteria for composition set forth in SEC Rule 10A-3(b)(1) and the Federal Deposit Insurance Corporation Improvement Act of 1991 and regulations promulgated pursuant thereto.

(2) The Nominations Committee is appointed by the Board of Directors of the Company: (i) to nominate, on an annual basis, qualified individuals to become Board members, and to report to the Board the director nominees for the next meeting of shareholders at which directors are to be elected; (ii) to assist the Board in the event of any vacancy on the Board by nominating qualified individuals to become Board members, and to report and recommend to the Board the individuals to fill any such vacancy; and (iii) to recommend to the Board, on an annual basis, director nominees for each Board committee. All recommendations by the Committee must be reviewed and approved by the Board.

(3) The Executive Committee is appointed by the Board of Directors of the Company to develop for board consideration recommendations that will implement the Company's business plan and strategic plan, and to act on behalf of the Board between Board meetings when necessary, to the extent authorized herein. All recommendations by the Committee must be reviewed and approved by the Board. The Executive Committee has oversight of corporate-wide risk matters. The Executive Committee shall have primary oversight of the Company's risk management and assessment processes. Also, from time to time, the Executive Committee may review and offer counsel regarding the Company's investor relationship practices.

4) The Compensation Committee is appointed by the Board of Directors of the Company to assist the Board in discharging its responsibilities with respect to the Company's compensation programs and compensation of the Company's executive officers. All recommendations by the Committee must be reviewed and approved by the Board.

The number and responsibilities of the committees are reviewed periodically. Each Company Board Committee will report to the Board at the next regularly scheduled Board meeting following a Committee meeting.

B. Composition of Committees

Membership on the committees is reviewed each year by the Chairman and the Nominations Committee and approved by the full Board. There is no strict committee rotation policy. Changes in committee assignments are made based on committee needs, director experience, interest and availability, and evolving legal and regulatory considerations. Additionally, in the reviewing of the composition of the Board committees, the Board will also consider any listing and/or applicable regulatory qualifications as may be applicable to specific committees.

Each member of the Audit Committee, will be directors for whom the Board has made an affirmative independence determination under the independence standards described in these Guidelines. Additionally, with respect to the Audit Committee members, the Board shall make an affirmative independence determination under the independence requirements set forth in SEC Rule 10A-3(b)(1). The Committee Composition shall be as set forth in the Company's By-laws.

V. BOARD OPERATIONS

A. Executive Chairman

The Board has no set policy on whether or not to have one.

B. Lead Director

The Lead Director shall be the Chairman of the Executive Committee.

C. Committee and Board Agendas

Committee agendas are prepared based on expressions of interest by Committee members and recommendations of management. Committee chairs give substantive input to and approve final agendas prior to committee meetings. The Chairman of the Board prepares Board agendas based on discussions with all Directors and issues that arise.

D. Board and Committee Materials and Presentations

To the extent feasible, information regarding items requiring Board and/or committee approval or action is distributed sufficiently in advance to permit adequate preparation. Detailed financial information is provided monthly and quarterly. The directors shall maintain the confidentiality of such information in accordance with applicable Company policies.

E. Regular Attendance of Non-Directors at Board Meetings

During the Board meeting, the Chief Financial Officer, Chief Information Officer, Chief Legal Officer, Chief Risk Officer, Secretary and all other Members of the Sr. Executive Council are present. Other members of management may be present at the invitation of the Chairman.

F. Board Access to Management

Board members have complete access to management. The Director should use his or her judgment to ensure that any such contact is not disruptive to the business operations of the Company. A Director will not discuss with management investment research involving a company with which the Director is affiliated.

G. Board Interaction with Institutional Investors and Press

The Company's management is the sole contact with outside parties. However, from time to time, Directors may be asked by the Board or management to speak with others, as appropriate.

H. Board Access to Outside Resources

The main responsibility for providing assistance to the Board rests on the internal organization. The Board and Board committees can, if they wish to do so, seek legal or other expert advice from a source independent of management and shall be provided the resources for such purposes. This would be with the knowledge of the Chairman, if corporate resources are to be provided.

I. Director Orientation and Continuing Education

At such time as a Director joins the Board, the Board and the Chief Executive Officer will provide appropriate orientation for the Director, including arrangement of meetings with management. The Board considers it desirable that Directors participate in continuing education opportunities and considers such participation an appropriate expense to be reimbursed by the Company.

J. Code of Business Conduct and Ethics

The Company has a comprehensive Code of Conduct and an Ethics Policy. The Code of Conduct and Ethics Policy are applicable to all employees and, as modified by applicable addenda, to Directors. The Code of Conduct and Ethics Policy address compliance with law; reporting of violations of the Code of Conduct and Ethics Policy or of laws or regulations; employment and diversity; confidentiality of information; protection and proper use of the Company's assets; conflicts of interest; and personal securities and other financial transactions. Each Director is expected to be familiar with and to follow the Code of Conduct and Ethics Policy to the extent applicable to them.

K. Communications with Board

Any shareholder may contact any Board member or committee chair. Please mail correspondence to:

First Florida Integrity Bank

Attention Board Member

3560 Kraft Road

Naples, FL 34105

If you have a particular concern regarding accounting, internal accounting controls, or auditing matters that you wish to bring to the attention of the Audit Committee of the Board of Directors, please mail correspondence to:

TGR Financial, Inc.

Attention: Ed Mace

Chairman, Audit Committee

3560 Kraft Road

Naples, FL 34105

Such reports may be done anonymously, if you wish. For complaints that are not anonymous, we will respect the confidentiality of those who raise concerns, subject to our obligation to investigate the concern and any obligation to notify third parties, such as regulators and other authorities.