

FIRST BANK OF DELAWARE
COMPENSATION COMMITTEE CHARTER

A. Purpose:

The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of First Bank of Delaware (the “Company”) is responsible for formulating, evaluating and approving the compensation of the Company’s officers, overseeing all compensation 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 annual proxy statement in accordance with applicable rules and regulations.

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 independent in accordance with the listing standards of Nasdaq Stock Market, LLC. In addition, each person may serve on the Committee only if the Board determines that he or she (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 and (ii) satisfies the requirements of an “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended, or any successor rule thereto.

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.

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 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 Chairman's or the Chairman and Chief Executive Officer's compensation is determined.

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 Chairman and Chief Executive Officer and review the goals established by the Chief Executive Officer for other executive officers.
- Evaluate the performance of the Chairman and Chief Executive Officer and review and approve the Chairman's and 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 Chairman, Chief Executive Officer and other executive officers of the Company. Regarding compensation for officers other than the Chairman and Chief Executive Officer, the Committee shall consult with the Chairman and Chief Executive Officer and the other officers of the Company as appropriate.
- Approve or recommend to the Board employment agreements, offers of employment and other elements of compensation provided to the Chairman, Chief Executive Officer and other executive officers.
- Approve or recommend Board severance arrangements for the Chairman, Chief Executive Officer and other executive officers, including change-in-control and similar provisions.
- Review and approve compensation paid to family members of officers and directors.
- 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.
- Provide oversight and guidance as the Company undertakes appropriate planning for management succession.
- 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 the Committee’s performance annually.
- 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, and may retain, at the Company’s expense, such experts and other professionals as it deems necessary.

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.

Adopted by the Compensation Committee on December 7, 2010.

Adopted by the Board of Directors on December 7, 2010.