

First Ottawa Bancshares, Inc.

Audit / Compliance Committee Charter

The audit/compliance committee is appointed by the board of directors to assist the board of directors in undertaking and fulfilling its responsibilities in monitoring:

- the integrity of the financial statements of the Company;
- the compliance by the Company with legal and regulatory requirements; and
- the independence and performance of the Company's outside auditors.

Each member of the audit/compliance committee shall be able to read and understand fundamental financial statements, including the Company's balance sheet, statement of operations and statement of cash flows, or will become able to do so within a reasonable period of time after his or her appointment to the audit/compliance committee. Employees of the Company or Bank are ineligible for Audit/Compliance Committee membership.

The number of members of the audit/compliance committee shall be determined by the board of directors, but in no event shall consist of less than three individuals. The members of the audit/compliance committee shall be appointed by the board of directors and shall serve terms of such length as the board of directors may determine.

The audit/compliance committee shall have the authority to retain special legal, accounting or other consultants to advise the committee. The audit/compliance committee shall have the power to conduct or authorize investigations into any matters within the committee's scope of responsibilities. The audit/compliance committee may request any officer or employee of the Company or the Company's outside counsel or outside auditor to attend a meeting of the committee or to meet with any members of, or consultants to, the committee and provide pertinent information as necessary.

The audit/compliance committee shall meet at such times and from time to time as it deems appropriate. The audit/compliance committee shall report

regularly to the board of directors with such recommendations as the audit/compliance committee may deem appropriate.

On behalf of the board of directors, the audit/compliance committee shall:

1. Review and reassess the adequacy of this audit/compliance committee charter periodically and recommend any proposed changes to the board of directors for approval.
2. Review with management and the outside auditor the Company's annual audited financial statements and the outside auditor's report thereon, including major issues regarding accounting principles and auditing standards and practices as well as the adequacy of internal controls that could significantly affect the Company's financial statements.
3. Review an analysis prepared by management and the outside auditor of significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements.
4. Review with management and the outside auditor the Company's quarterly financial statements prior to the release of quarterly earnings or filing of such statements with the Securities and Exchange Commission.
5. Meet periodically with management and the outside auditor to review the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.
6. Review major changes to the Company's accounting and auditing principles and practices as suggested by the outside auditor or management.
7. Select and recommend to the board of directors the appointment of the outside auditor, which firm is ultimately accountable to the audit/compliance committee and the board of directors.
8. Approve the fees to be paid to the outside auditor.
9. Ensure its receipt of periodic reports and statements from the outside auditor regarding the auditor's objectivity and independence, including, without limitation, a formal written statement delineating all relationships between the outside auditor and the Company consistent with Independent Standards Board Standard 1, discuss such reports and statements with the outside auditor, and if so determined by the audit/compliance committee, recommend that the

board of directors take appropriate action to oversee the independence of the outside auditor.

10. Evaluate the performance of the outside auditor and, if so determined by the audit/compliance committee, recommend that the board of directors replace the outside auditor.
11. Review policies and procedures with respect to management expense accounts and perquisites, including their use of corporate assets, and consider the results of any review of these areas by the outside auditor.
12. Meet with the outside auditor prior to the annual audit to review the scope, planning and staffing of the audit.
13. Obtain from the outside auditor assurance that Section 10A of the Private Securities Litigation Reform Act of 1995 has not been implicated.
14. Discuss with the outside auditor the matters required to be discussed by Statement on Auditing Standards No. 61 (Communications with Audit/compliance committees) relating to the conduct of the annual audit.
15. Review with the outside auditor any problems or difficulties the outside auditor may have encountered and any management letter provided by the outside auditor and the Company's response to that letter. Such review should include any difficulties encountered in the course of the audit work, including any restrictions encountered by the outside auditor on the scope of its auditing procedures or its access to required information.
16. Advise the board of directors with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations.
17. Review with the Company's outside counsel legal and regulatory matters, if any, that may have a material impact on the Company's financial statements, the Company's compliance policies and any material reports or inquiries received from regulators or governmental agencies.
18. Meet at least annually with the Company's chief financial officer and the outside auditor in separate executive sessions.
19. Review and approve the appointment of the outsourced internal auditor;
20. Review activities, company structure, and qualifications of all the outsourced internal auditors;

21. Review and evaluate the scope, risk assessment and nature of the plan developed by the outsourced internal auditors and any subsequent changes, including whether or not the plan is sufficiently linked to the company's overall business objectives and management's success and risk factors.
22. Review internal audit results and findings; monitor audit activity against plan; and review unresolved high risk findings; and
23. Ensure that the Audit committee minutes reflect the performance of the above responsibilities.

The audit/compliance committee shall also undertake such additional activities within the scope of its primary function as the audit/compliance committee may from time to time determine or as may otherwise be required by law, the Company's by-laws or certificate of incorporation or the board of directors. The duties and responsibilities of a member of the audit/compliance committee are in addition to those duties set out for a member of the board of directors of the Company. While the audit/compliance committee has the responsibilities and powers set forth in this audit/compliance committee charter, it is not the duty of the audit/compliance committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are prepared in accordance with generally accepted accounting principles. This is the responsibility of the Company's management. Nor is it the duty of the audit/compliance committee to conduct investigations, to resolve disagreements, if any, between management and the outside auditor or to assure compliance with laws and regulations.

The Company shall indemnify, in accordance with and to the fullest extent now or hereafter permitted by law, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceedings, whether civil, criminal, administrative or investigative (including, without limitation, an action by or in the right of the Company), by reason of his or her acting as a member of the audit/compliance committee against any liability or expense actually or reasonably incurred by such person in respect thereof. This indemnity shall be in addition to any rights of indemnity otherwise available to any such member.

Approved by Board of Directors July 13, 2005
Amended December 9, 2009
Re-Amended April 10, 2013

First Ottawa Bancshares, Inc.

Code of Business Conduct and Ethics

1. General Policy Statement

First Ottawa Bancshares, Inc. has established this Code of Business Conduct and Ethics (the “Code”) to provide all employees, officers and directors of the Company and its subsidiaries with general guidance in fulfilling their ethical responsibilities to the Company. The two main principles that are expressed throughout this Code, and that are the major tenets of all ethical conduct for employees, officers and directors of the Company are:

- respect for and compliance with the laws, rules and regulations of the United States, and the states, counties, cities and other jurisdictions, in which the Company conducts its business as well as all other laws, rules and regulations that are applicable to the Company and
- loyalty to the interests of the Company’s stockholders.

These principles require that employees, officers and directors of the Company act in a manner that will ensure:

- honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- avoidance of conflicts of interest, including disclosure to an appropriate person or person identified in this Code of any material transaction or relationship that reasonably could be expected to give rise to such a conflict;
- full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or submits

- to, the OCC and the Federal Reserve Bank and in other public communications made by the Company;
- compliance with applicable governmental laws, rules and regulations; and
 - prompt internal reporting of violations of this Code to an appropriate person or persons.

This Code does not summarize or address all ethical questions or specific situations that might arise. Rather, it is designed to provide employees, officers and directors with general guidance on their ethical obligations in the performance of their duties to the Company. Employees, officers and directors should consult with the President and Chief Executive Officer of The First National Bank of Ottawa for more information on issues not addressed in this Code. Please note that all references to the “Company” include First Ottawa Bancshares, Inc. and The First National Bank of Ottawa, First Ottawa Financial Corporation and any other entities owned or controlled by First Ottawa Bancshares, Inc.

2. Real and Apparent Conflicts Of Interest

All employees, officers and directors of the Company should be scrupulous in avoiding a conflict of interest with regard to the Company’s interests and maintain their independent judgment in the conduct of the Company’s business. A “conflict of interest” exists whenever an individual’s private interests interfere or conflict in any way (or even appear to interfere or conflict) with the interests of the Company. Private interests may include actions undertaken for, or on behalf of, family members (both immediate and extended) and close friends, as well as those relating to organizations or entities (both profit and non-profit) in which the individual covered by this policy is an investor, partner, associate, affiliate, owner, employee, representative, agent, consultant, officer, or director. A conflict situation can arise when an employee, officer or director takes actions or has interests that may make it difficult to perform his or her duties objectively and effectively, or that involve entities identified within the scope of private interests as detailed above. Conflicts of interest may also arise when an employee, officer or director, or members of his or her family, receives improper personal benefits as a result of his or her position in the Company, whether received from

the Company or a third party. Loans to, or guarantees of obligations of, employees, officers and directors and their respective family members and companies or other organizations in which they have an interest, either financial or otherwise, may create conflicts of interest, unless, however, such arrangements are made in compliance with the rules and regulations of the relevant banking regulatory agencies covering insider loans. Conflicts of interest are prohibited as a matter of Company policy, except under guidelines approved by the Nominating and Corporate Governance Committee of the board of directors. Employees, officers and directors who become aware of a conflict or the appearance of a conflict should immediately present the situation to his or her immediate supervisor or to the President and Chief Executive Officer of The First National Bank of Ottawa, as the situation merits.

Some examples of a conflict of interest include:

- owning a material financial interest in a competitor of the Company or an entity that does business or seeks to do business with the Company;
- being employed by, performing services for, serving as an officer of, or serving on the board of directors of any such entity;
- making an investment that could compromise one's ability to perform his or her duties to the Company; or
- having an immediate family member who engages in any of the activities identified above.

Employees, officers and directors should not seek or accept for their own benefit, or for the benefit of any immediate family member, any favors, preferential treatment, special benefits, special documents, gifts or other consideration as a result of their association with the Company or any company that does business with the Company, except those usual and normal benefits directly provided by the Company or any such entities. The foregoing, however, does not prohibit the receipt of gifts of nominal value. Disposition of Bank Assets From time to time the bank will be in the position to dispose of certain assets which can include securities, other real estate owned, foreclosed real estate, repossessed automobiles, discarded or abandoned equipment, etc. In such circumstances there can be a real or perceived conflict of interest if an "insider" including a director,

officer or employee is the purchaser of such an asset. In all transactions involving bank property, including a bank asset secured by collateral, such insiders are permitted to purchase the asset either from the bank or through a public or private disposition of collateral only as an arms-length transaction and only at fair market value. In order to accomplish this purpose insiders may acquire an interest in bank property, including collateral whether or not in the process of foreclosure only after advance notice of at least 48 hours and prior approval by a majority of disinterested directors. A separate provision of our insider trading policy deals with the purchase and sale of First Ottawa Bancshares securities.

3. Corporate Opportunities

Employees, officers and directors are prohibited from:

- taking for themselves personally opportunities that properly belong to the Company or that are discovered through the use of corporate property, information or position;
- using corporate property, information or position for personal gain; or
- competing with the Company.

4. Confidentiality

Employees, officers and directors of the Company must not disclose any confidential information entrusted to them by the Company, a customer of the Company or any other party that the Company does business with, to any third party, except when disclosure is authorized by the President and Chief Executive Officer of The First National Bank of Ottawa or required by laws, regulations or legal proceedings. Such information includes, among other things, customer information, information relating to proposed, ongoing or completed transactions of the Company, trade secrets, confidential financial information of the Company and business plans. Whenever feasible, employees, officers and directors should consult with the President and Chief Executive Officer of The First National Bank of Ottawa if they believe they have a legal obligation to disclose confidential information. Confidential information includes all non-public information that might be of use to competitors of the Company, or harmful to the Company or its customers if disclosed.

5. Insider Trading

Securities laws and regulations prohibit the misuse of material nonpublic information when purchasing, selling or recommending securities. Employees, officers and directors must comply with the practices and procedures set forth in the Company's insider trading policy, a copy of which has been distributed to all employees, officers and directors. Please contact the President and Chief Executive Officer of The First National Bank of Ottawa if you would like an additional copy of the policy.

6. Fair Dealing

Each employee, officer and director should endeavor to deal fairly with the Company's customers, suppliers, competitors, officers and employees. Employees, officers and directors should not take unfair advantage of any other party through fraud, manipulation, concealment, abuse of privileged information, misrepresentation or omission of material facts or any other unfair practices.

7. Protection And Proper Use Of Company Assets

All employees, officers and directors should protect and safeguard from harm the Company's assets. Theft, misappropriation or destruction of the Company's assets are in direct violation of the Company's obligations to the Company's stockholders. Employees, officers and directors of the Company should only use the Company's assets for legitimate business purposes.

8. Financial Reporting and Compliance with Controls

Employees, officers and directors must comply with all financial reporting and other regulatory requirements applicable to the Company. All business transactions must be reported and disclosed in a manner consistent with generally accepted accounting principles of the United States. All employees, officers and directors must cooperate with and assist the Company's internal and independent auditors in the performance of their duties to the Company and must comply with all internal control procedures established by the Company for the safeguarding of assets and proper reporting and disclosure of financial information.

It is of critical importance that the Company comply with all of its regulatory disclosure obligations. Filings by the Company with regulatory bodies must be accurate and timely. Depending on his or her position with the Company, an employee, officer or director may

be called upon to provide necessary information to ensure that the Company's public reports are complete, fair and understandable. The Company expects employees, officers and directors to take this responsibility very seriously and to provide prompt and accurate answers to inquiries related to the Company's public disclosure requirements.

9. Reporting Accounting Errors or Improprieties

Employees, officers and directors must comply with all applicable financial reporting and accounting regulations applicable to the Company. If any employee, officer or director of the Company has concerns or complaints regarding questionable accounting or auditing matters of the Company, including a failure to comply with internal controls of the Company or to cooperate with the Company's internal or independent auditors, then he or she should submit those concerns or complaints to the Audit Committee of the board of directors.

10. Reporting Illegal Or Unethical Behavior

Employees are encouraged to talk to supervisors, managers or other appropriate personnel about observed illegal or unethical behavior and about the appropriate ethical conduct in a particular situation. Employees, officers and directors who are concerned that violations of this Code or that other illegal or unethical conduct by employees, officers or directors of the Company have occurred or may occur should contact their supervisor or superiors. If they do not believe it appropriate, or are not comfortable approaching their supervisors or superiors about their concerns or complaints, then they may contact either the President and Chief Executive Officer of The First National Bank of Ottawa or the Audit Committee Chairperson of the board of directors of the Company. If their concerns or complaints require confidentiality, including keeping their identity anonymous, then this confidentiality will be protected, subject to applicable law, regulation or legal proceedings.

11. General Conduct Prejudicial to the Company

Directors, officers and employees shall not engage in criminal,

infamous, dishonest or notoriously disgraceful conduct, or other conduct prejudicial to the Company.

12. **Discipline**

Any officer or employee who violates this Code will be subject to disciplinary action, up to and including termination from the Company.

13. **No Retaliation**

The Company will not permit retaliation of any kind by, or on behalf of, the Company by any of its employees, officers or directors against any individual reporting violations of this Code in good faith.

- Adopted by Board of Directors July 9, 2003>
- Amended by Board of Directors January 10, 2007
- Re-Amended by Board of Directors January 12, 2011
- Re-Amended by Board of Directors October 10, 2012
- Re-Amended by Board of Directors March 13, 2013
- Re-Amended by Board of Directors February 11, 2015

Nominating and Corporate Governance Committee Charter

1. **Purpose**

The primary purposes of the Nominating and Corporate Governance Committee (the “Committee”) of the board of directors of First Ottawa Bancshares, Inc. (the “Company”) are to (1) identify and select qualified individuals to serve as directors of the Company and nominate such individuals for election as directors at the Company’s annual meeting of stockholders and (2) develop and establish corporate governance policies and procedures for the Company.

2. **Committee Composition and Procedure**

The Committee shall consist of at least three members. The board of directors shall appoint the members of the Committee. The members of the Committee shall serve until their successors are appointed and qualify, and may designate a Chairman of the Committee. The board of directors shall have the power to change the membership of the Committee and to fill any vacancies on the Committee.

The Committee shall meet with such frequency and at such intervals as it shall determine necessary to carry out its duties and

responsibilities, but in no event shall the Committee meet less than once per year of the Company's fiscal year. 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 are generally to: (1) identify individuals qualified to become members of the board of directors and select such individuals as director nominees for the next annual meeting of stockholders of the Company and (2) develop and establish corporate governance policies and procedures for the Company. In accomplishing these duties and responsibilities, the Committee shall possess the following powers and duties:

- The Committee shall nominate individuals to stand for election at each annual meeting of stockholders, which such nominees shall be presented in the Company's proxy statement relating to the annual meeting. The Committee shall establish the procedures necessary to nominate individuals and the Committee shall develop and establish qualification criteria for membership on the board of directors.
- The Committee shall have sole authority and adequate funding to retain and terminate any third-party for the purpose of identifying candidates for membership on the board of directors, and shall have sole authority to approve the fees paid to such third-parties and all other terms of their retention. Such third-parties may include executive search firms, as well as legal, accounting and other advisors, both internal and external.
- The Committee shall, at least annually, review the performance of all directors of the Company, including with respect to each director's service on a committee of the board of directors. As a part of such review, the Committee shall determine whether each director is "independent" as such term is defined in the requirements of the Securities and Exchange Commission and any other body with regulatory authority over the Company.
- The Committee shall, at least annually, evaluate the performance, structure and authority of the committees of the board of directors, including the Nominating and Corporate

Governance Committee. The Committee shall make recommendations to the board of directors with respect to the assignment of individual directors to the committees of the board of directors.

- The Committee shall be responsible for establishing an orientation program for directors beginning their service on the board of directors. Such program shall provide new directors with information regarding their duties and responsibilities to the Company, the Company's business and operations, the policies and procedures applicable to service on the board of directors and the legal implications of board service.
- The Committee shall establish, coordinate, monitor and maintain a continuing education and training program for directors of the Company. The Committee shall establish participation requirements in such program for directors of the Company and shall monitor compliance with those requirements. The program shall be designed to apprise directors of any legal, accounting, corporate governance or other developments relevant to service on the board of directors.
- The Committee shall review and assess, at least annually, the adequacy of the Company's corporate governance policies and procedures in light of the legal and regulatory requirements applicable to the Company, its directors, officers and employees, and shall amend and supplement such policies and procedures as the Committee determines, in its sole discretion, are appropriate.
- The Committee shall develop and maintain, and shall recommend to the board of directors that it adopt, a Code of Business Conduct and Ethics for the Company. Such Code shall address various legal and regulatory issues applicable to the directors, officers and employees of the Company. The Committee shall review, at least annually, the Company's enforcement mechanism for such Code.
- The Committee shall review, with the Company's counsel, legal compliance matters, including corporate securities trading policies.
- The Committee shall make regular reports to the board of directors regarding nominating and corporate governance matters.

- The Committee shall review and assess the adequacy of this Charter periodically, and shall recommend any proposed amendments relating to the Committee's duties with respect to nominating or corporate governance matters to the board of directors for approval.
- The Committee may form and delegate authority to subcommittees or individual members of the Committee, where appropriate, with respect to nominating and corporate governance matters.

Approved by Board of Directors July 13, 2005
Amended March 13, 2013

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 equitybased 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