

## SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934  
(Amendment No. \_\_)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to § 240.14a-12

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**First Bank**

(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee paid previously with preliminary materials.
- Fee computed on table in exhibit required by Item 25(b) per Exchange Act Rules 14a6(i)(1) and 0-11.



**2465 Kuser Road  
Hamilton, New Jersey 08690**

March 22, 2024

To Our Shareholders:

We cordially invite you to attend the Annual Meeting of Shareholders of First Bank (the "Bank"), to be held on April 24, 2024 at 10:00 a.m., Eastern Time, at The Stone Terrace, 2275 Kuser Road, Hamilton, New Jersey 08690.

At this meeting, shareholders will be asked to (i) elect eleven (11) directors to First Bank's Board of Directors to serve until the 2025 Annual Meeting, (ii) approve the First Bank 2024 Equity Incentive Plan, (iii) approve, on an advisory basis, the 2023 compensation paid to First Bank's named executive officers as disclosed in the attached proxy statement, and (iv) ratify the appointment of BDO USA, P.C. as First Bank's independent registered public accounting firm for the fiscal year ending December 31, 2024.

During the Annual Meeting, we will also report on the operations of the Bank. Directors and executive officers of the Bank will be available to respond to any questions you may have.

It is important that your shares be represented at the meeting regardless of the number of shares you may hold. Whether or not you plan to attend the Annual Meeting, please act promptly so that your shares may be voted in accordance with your wishes. You may vote your shares by mail by marking, signing and dating the enclosed proxy card and returning it in the postage-paid return envelope included, or you may vote by telephone or the Internet by following the instructions provided on the proxy card. If you attend the Annual Meeting, you may vote your shares in person, even if you have previously submitted a proxy by mail, telephone or Internet.

We look forward to seeing you at the Annual Meeting.

Very Truly Yours,

A handwritten signature in dark ink that reads "Patrick M. Ryan". The signature is written in a cursive style with a large, stylized "P" and "R".

Patrick M. Ryan  
Chairman of the Board



2465 Kuser Road  
Hamilton, New Jersey 08690

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS  
To be Held on April 24, 2024**

Notice is hereby given that the Annual Meeting of the Shareholders (the "Annual Meeting") of First Bank (the "Bank") will be held at The Stone Terrace, 2275 Kuser Road, Hamilton, New Jersey 08690, on April 24, 2024 at 10:00 a.m., Eastern Time, for the purpose of considering and voting upon the following matters, all of which are more completely set forth in the accompanying Proxy Statement:

1. a proposal to elect the eleven (11) persons named in the accompanying proxy statement to serve as directors of First Bank until the 2025 Annual Meeting and thereafter until their successors shall have been duly elected and qualified;
2. a proposal to approve the First Bank 2024 Equity Incentive Plan;
3. a proposal to approve, on an advisory basis, the 2023 compensation paid to First Bank's named executive officers as disclosed in the attached proxy statement;
4. to ratify the appointment of BDO USA, P.C. as First Bank's independent registered public accounting firm for the fiscal year ending December 31, 2024; and
5. Such other business as shall properly come before the Annual Meeting or any adjournment or postponement thereof.

Only holders of record or shareholders of the Bank's common stock (the "Common Stock") at the close of business on March 8, 2024 will be entitled to vote at the Annual Meeting or any adjournment or postponement thereof.

You are requested to complete, sign, date and return the enclosed proxy promptly, regardless of whether you expect to attend the Annual Meeting or vote by telephone or the Internet by following the instructions provided on the proxy card. A postage-paid return envelope is enclosed for your convenience should you decide to vote by mail.

If you attend the Annual Meeting, you may vote in person even if you have already returned your proxy.

By order of the Board of Directors

A handwritten signature in black ink that reads "Donna Bencivengo".

Donna Bencivengo, Corporate Secretary

Hamilton, New Jersey  
March 22, 2024

**IMPORTANT — PLEASE MAIL YOUR PROXY PROMPTLY**

**THE PROMPT RETURN OF PROXIES IN THE ENCLOSED POSTAGE-PAID RETURN ENVELOPE OR THE VOTING OF YOUR SHARES BY TELEPHONE OR THE INTERNET WILL ENSURE THERE IS SUFFICIENT REPRESENTATION AT THE ANNUAL MEETING TO CONSTITUTE A QUORUM.**

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON APRIL 24, 2024: FIRST BANK'S PROXY STATEMENT AND ANNUAL REPORT TO SHAREHOLDERS ON FORM 10-K ARE EACH AVAILABLE ON THE INTERNET AT <https://FRBA.q4ir.com/sec-filings/documents/default.aspx>.**

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**PROXY STATEMENT FOR ANNUAL  
MEETING OF SHAREHOLDERS To Be Held  
on April 24, 2024**

This Proxy Statement is being furnished to shareholders of First Bank (the “Bank ” or the “Company”) in connection with the solicitation of proxies by the Bank’s Board of Directors (the “Board of Directors” or the “Board”) to be used at the Annual Meeting of Shareholders (the “Annual Meeting”) of the Bank to be held April 24, 2024 at 10:00 a.m., local time, at The Stone Terrace, 2275 Kuser Road, Hamilton, New Jersey, 08690, or such later date to which the Annual Meeting may be adjourned or postponed.

**About the Annual Meeting**

**Why have I received these materials?**

This Proxy Statement was mailed on or about March 22, 2024, to holders of First Bank common stock (“Common Stock”) as of the close of business on March 8, 2024 (the “Record Date”). The Board of Directors is soliciting proxies in connection with the Annual Meeting that will be held on April 24, 2024. You are cordially invited to attend the Annual Meeting and are requested to vote on the proposals described in this Proxy Statement.

**Who is entitled to vote at the Annual Meeting?**

Holders of Common Stock as of the close of business on the Record Date will be entitled to vote at the Annual Meeting. On the Record Date, there were 25,100,108 shares of Common Stock outstanding and entitled to vote. Each share of our Common Stock entitles the holder to one vote with respect to all matters submitted to shareholders at the Annual Meeting. Beneficial owners of shares of our Common Stock may direct the record holder of the shares on how to vote the shares held on their behalf.

**How do I vote my shares at the Annual Meeting?**

If you are a “record” shareholder of Common Stock (that is, if you hold Common Stock in your own name as of the Record Date in the Bank’s stock records maintained by our transfer agent, Computershare), you may vote by proxy or in person at the Annual Meeting. To vote by proxy, you may use one of the following methods:

- telephone voting, by dialing the toll free number (1-800-652-8683) and following the instructions on your proxy card; or
- Internet voting, by accessing the website address ([www.investorvote.com/FRBA](http://www.investorvote.com/FRBA)) stated on the proxy card and following the instructions; or
- by mail, by completing and returning the proxy card in the enclosed postage-paid return envelope.

If you hold your shares in “street” name through your broker you must follow the instructions for voting provided by your broker.

Your vote is important. Accordingly, regardless of whether or not you plan to attend the Annual Meeting, we urge you to promptly submit your vote by telephone or internet according to the instructions on the proxy card or by signing, dating, and returning the accompanying proxy card. If you do attend, you may vote by ballot at the Annual Meeting, thereby canceling any proxy previously given. You can obtain additional information on voting, or request additional materials, by calling the First Bank proxy solicitor, Alliance Advisors, LLC at 973-873-7700.

**What is a Beneficial Owner of Shares and How Can I Vote if I am a Beneficial Owner?**

If, on the Record Date, your shares of Common Stock were not held in your name, but rather were held in an account at a brokerage firm, bank, dealer, or other similar organization on your behalf, then you are the beneficial owner of shares held in “street name,” and these proxy materials have been forwarded to you by that organization. The organization holding your account is considered to be the shareholder of record for purposes of voting at the Annual Meeting and is required to vote those shares in accordance with your instructions. If you do not give instructions to the organization holding your

account, then the organization will have discretion to vote the shares with respect to “routine” matters but will not be permitted to vote the shares with respect to “non-routine” matters. See “What Matters at the Annual Meeting are ‘Routine’ and ‘Non-Routine?’” below. As a beneficial owner, you are invited to attend the Annual Meeting. If you are a beneficial owner and not the shareholder of record, you may not vote your shares in person at the Annual Meeting unless you request and obtain a valid proxy from your broker or other agent.

### **Can I change my vote after I return my proxy card?**

Any shareholder of record has the power to revoke his or her proxy at any time before it is voted. You may revoke your proxy before it is voted at the Annual Meeting by:

- voting again by telephone or the Internet, or completing a new proxy card with a later date — your latest vote that is received in advance of the Annual Meeting will be counted;
- filing with the Corporate Secretary of the Bank notice of such revocation in writing to 2465 Kuser Road, Hamilton, New Jersey 08690, which notice must be received in advance of the Annual Meeting; or
- appearing at the Annual Meeting and giving the Corporate Secretary written notice of your intention to vote in person.

If you hold your shares in “street” name through your broker and you have instructed a broker or other agent to vote your shares, you must follow directions from your broker or other agent to change your vote.

### **What constitutes a quorum for purposes of the Annual Meeting?**

The presence at the Annual Meeting in person or by proxy of the holders of a majority of the voting power of all outstanding shares of Common Stock entitled to vote shall constitute a quorum for the transaction of business. Proxies marked as abstaining (including proxies containing broker non-votes) on any matter to be acted upon by shareholders will be treated as present at the Annual Meeting for purposes of determining a quorum but will not be counted as votes cast on such matters.

### **What Matters at the Annual Meeting are “Routine” and “Non-Routine”?**

Proposal 1, the election of eleven (11) directors, Proposal 2, approval of First Bank 2024 Equity Incentive Plan, and Proposal 3 the advisory vote on the compensation of our named executive officers, are “non-routine” matters. Proposal 4, the ratification of the appointment of BDO USA, P.C. as the Bank’s independent registered public accounting firm for the fiscal year ending December 31, 2024, is a “routine” matter. If you beneficially hold your shares in street name and you do not submit specific voting instructions to your broker or other agent, your broker or other agent may generally vote your shares in its discretion on matters designated as “routine” under rules applicable to broker-dealers. However, a broker cannot vote shares held in street name on matters designated by these rules as “non-routine,” unless the broker or other agent receives specific voting instructions from the beneficial holder.

### **What are “broker non-votes”?**

Broker non-votes occur when a beneficial owner of shares held in street name does not give instructions to the broker or other agent holding the shares as to how to vote on matters deemed “non-routine.” Generally, if shares are held in street name, the beneficial owner of the shares is entitled to give voting instructions to the broker or other agent holding the shares. If the beneficial owner does not provide voting instructions, the broker or other agent can still vote the shares with respect to matters that are considered to be “routine,” but not with respect to “non-routine” matters. In the event that a broker or other agent holding the shares of common stock indicates on a proxy that it does not have discretionary authority to vote certain shares on a particular proposal, then those shares will be treated as broker non-votes with respect to that proposal.

Accordingly, if you own shares through a broker or other agent, please be sure to instruct your nominee to vote to ensure that your vote is counted on each of the proposals.

## What are the Voting Requirements to Approve Each Proposal to be Submitted to Shareholders?

The vote required to elect directors and approve each of the matters scheduled for a vote at the Annual Meeting is set forth below:

<u>Proposal</u>	<u>Vote Required</u>	<u>Board Recommendation</u>
1. Election of eleven (11) directors	Plurality of votes cast	<b>FOR</b>
2. Approval of the First Bank 2024 Equity Incentive Plan	Two-thirds of votes eligible to be cast	<b>FOR</b>
3. Advisory vote to approve the 2023 compensation paid to our named executive officers as disclosed in this Proxy Statement	Majority of votes cast	<b>FOR</b>
4. Ratification of appointment of BDO USA, P.C. as the Bank's independent registered public accounting firm for the fiscal year ending December 31, 2024	Majority of votes cast	<b>FOR</b>

## What Is the Effect of Votes Withheld, Abstentions and Broker Non-Votes On Each of the Proposals?

Votes that are withheld or any abstentions from voting will not be counted in determining the number of votes cast with respect to any of the proposals. As explained above, because Proposals 1, 2 and 3 are considered “non-routine,” if a beneficial owner does not instruct the broker or other agent how to vote the shares, broker non-votes will result. Broker non-votes will not be counted in determining the number of votes cast with respect to these proposals. Because Proposal 4 is considered “routine,” the broker or other agent will have discretion to vote any shares with respect to which a beneficial owner does not provide instructions, and no broker non-votes will occur with respect to this proposal.

## Why is it important to vote my shares?

If there is not a quorum present in person or by proxy at the Annual Meeting, the meeting will be adjourned to solicit additional proxies. This will cause additional expense and delay for the Bank.

## What vote is required to approve each item?

The election of directors at the Annual Meeting requires the affirmative vote of a plurality of the votes cast at the Annual Meeting by shares represented in person or by proxy and entitled to vote for the election of Directors. This means that those eleven (11) nominees getting the largest number of votes, even if not a majority of the votes, will be elected. The approval of the First Bank 2024 Equity Incentive Plan requires the affirmative vote, in person or by proxy, of the holders of at least two-thirds of the shares of First Bank common stock outstanding on the record date. The approval of the non-binding advisory resolution approving the compensation of our named executive officers and the ratification of the appointment of the Bank's independent registered public accounting firm, each requires the affirmative vote of a majority of the votes cast at the Annual Meeting in person or by proxy.

## How does the Board recommend that I vote my shares?

Unless you give other instructions on your proxy card, the persons named as proxies on the card will vote in accordance with the recommendations of the board of directors. The Board's recommendations are set forth together with the description of each item in this Proxy Statement. In summary, the Board recommends a vote:

- **“FOR”** each of the eleven (11) Director nominees to the board of directors;
- **“FOR”** the approval of the First Bank 2024 Equity Incentive Plan;
- **“FOR”** the approval of the non-binding advisory resolution approving the compensation paid to our named executive officers as disclosed in this Proxy Statement; and
- **“FOR”** ratification of the appointment of BDO USA, P.C. as the Bank's independent registered public accounting firm for the fiscal year ending December 31, 2024.

With respect to any other matters that properly come before the Annual Meeting, or any adjournment or postponement thereof, the proxy holders will vote as recommended by the Board or, if no recommendation is given, in their own discretion in the best interests of the Bank. As of the date of this Proxy Statement, the Board had no knowledge of any business other than that described in this Proxy Statement that would be presented for consideration at the Annual Meeting.

**Who will bear the expense of soliciting proxies?**

The Bank will bear the cost of soliciting proxies. In addition to the solicitation by mail, proxies may be solicited personally or by telephone, facsimile or electronic transmission by our directors, officers and employees acting on behalf of the Bank. No additional compensation will be paid to our directors, officers, or employees for such services. We will reimburse brokerage firms and other custodians, nominees, and fiduciaries for reasonable expenses incurred by them in sending proxy materials to the beneficial owners of our stock.

First Bank has retained Alliance Advisors, LLC at an estimated cost of approximately \$7,500 plus reimbursement of reasonable expenses to assist in the solicitation of proxies. The Bank has agreed to indemnify Alliance Advisors, LLC against certain liabilities in connection with this proxy solicitation.



## FIRST BANK PROPOSAL 1

### ELECTION OF DIRECTORS

First Bank's Certificate of Incorporation provides that the number of directors shall not be fewer than five (5) or more than twenty five (25) and permits the exact number to be determined from time to time by the board of directors. There are no arrangements or understandings between any director or nominee and any other person pursuant to which such individual was selected as a director or nominee. On March 20, 2024, Peter Pantages, Howard Kent and Cynthia Leitzell ("Directors Pantages, Kent and Leitzell") informed the Company of their decision not to stand for reelection to the board of directors at the Annual Meeting, and Directors Pantages, Kent, and Leitzell will continue as a director until immediately prior to the Annual Meeting.

The First Bank Board of Directors has nominated for election to the board of directors the persons named below. Each nominee except for Neha Shah currently serves as a member of the board of directors. Neha Shah was nominated as a potential director on March 20, 2024 to stand for election at the Annual Meeting. If elected, each director will serve until the 2025 Annual Meeting of Shareholders or until his or her replacement has been duly elected and qualified.

The Board of Directors has no reason to believe that any of the nominees will be unavailable to serve if elected. As of the First Bank Shareholder Meeting, the board of directors will consist of eleven (11) members. Mr. Patrick M. Ryan, Chairman, is the father of Director, President and Chief Executive Officer Patrick L. Ryan.

The following table sets forth the names, ages, principal occupations, and business experience for all nominees, as well as their prior service on the board of directors, if any.

#### Director Nominees

<u>Name and Position with First Bank</u>	<u>Age</u>	<u>Principal Occupation for Past Five Years</u>	<u>Director Since</u>
Patrick M. Ryan, Chairman	79	Owner and real estate investor for North Buffalo Advisors, LLC; Chairman of First Bank; former President and Chief Executive Officer of Yardville National Bank	2011
Leslie E. Goodman, Vice Chairman	80	Principal of The Eagle Group of Princeton, Inc.	2008
Patrick L. Ryan, President and Chief Executive Officer	48	President and Chief Executive Officer of First Bank	2008
Douglas C. Borden	63	Northeast President for CBIZ Insurance Services; former Partner, Borden Perlman Insurance Agency; former Director of Hopewell Valley Community Bank	2017
Andrew Fish	40	Managing member of the Real Estate Equity Company ("TREECO"); former Director of Malvern Bancorp, Inc. and Malvern Bank, NA.	2023
Scott R. Gamble	64	Principal at Patriot Financial Partners, L.P.; former regional president at BB&T Bank	2020
Deborah Paige Hanson	62	Principal, Executive Vice President and Fund Manager of the Hampshire Companies	2016
Glenn M. Josephs	69	Retired, former partner, Friedman, LLP, 1996 to 2022	2008
Michael E. Salz	53	President of Linden Bulk Transportation, LLC, a subsidiary of Odyssey Logistics & Technology Corporation; former Chief Operating Officer of Linden Bulk Transportation, LLC; former owner of Linden Bulk Transportation Co. Inc.	2017
Neha Shah	46	President and co-founder of GEP, a globally recognized leader in digital supply chain and procurement transformation.	
John E. Strydesky	75	Certified Public Accountant; owner of Strydesky & Company, CPAs/Business Consultants; real estate investor in commercial and residential properties	2010

No director is also currently a director of a company having a class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or subject to the requirements of Section 15(d) of the Exchange Act or any company registered as an investment company under the Investment Bank Act of 1940.

There are no material proceedings to which any director or executive officer is a party adverse to First Bank or has a material interest adverse to First Bank.

First Bank encourages all directors to attend First Bank Shareholder Meeting, but attendance is not mandatory. All of First Bank’s directors who were then in office attended the 2023 First Bank Shareholder Meeting.

**Required Vote**

**DIRECTORS WILL BE ELECTED BY THE AFFIRMATIVE VOTE OF A PLURALITY OF THE VOTES CAST AT THE FIRST BANK SHAREHOLDER MEETING WHETHER IN PERSON OR BY PROXY.**

**Recommendation**

**THE BOARD OF DIRECTORS RECOMMENDS THAT THE SHAREHOLDERS VOTE “FOR” EACH OF THE NOMINEES SET FORTH ABOVE.**

## Information About the Board of Directors and Management

**Patrick M. Ryan, 79, Chairman.** Mr. Ryan is the owner of North Buffalo Advisors, LLC and P. Ryan Consulting, LLC, both financial and real estate investment advisory companies. He was the President and Chief Executive Officer (“CEO”) of Yardville National Bank and its holding company from 1991 through its sale to PNC Corporation in 2007. Mr. Ryan has over 54 years of banking experience working for Yardville National Bank, Howard Savings Bank, Marine Midland Bank, Manufacturers Hanover and M&T Bank. Mr. Ryan joined the board in 2011. Mr. Ryan is the father of Patrick L. Ryan, First Bank’s President and CEO. In his capacity as the First Bank’s Chairman of the Board, Mr. Ryan brings extensive knowledge of the commercial banking industry, gained over 54 years of experience, to the governance and leadership of the board of directors at First Bank.

**Leslie E. Goodman, 80, Vice Chairman.** Mr. Goodman has been involved in banking since 1966, having served in a variety of senior management roles with regional and super regional banks through the late 1990s. He also served as an investor in and board member of a number of community banks since 2000. He is a Principal in The Eagle Group of Princeton, Inc., a commercial real estate investment and management company. Mr. Goodman joined the board in 2008. Mr. Goodman’s substantial banking experience as an officer and a director qualify him to serve on First Bank’s Board of Directors. This experience, coupled with his lack of any relationship which would interfere with his exercise of independent judgment in carrying out the responsibilities of a director, make him the best candidate to serve as Lead Independent Director.

**Patrick L. Ryan, 48, President and Chief Executive Officer.** Mr. Ryan started his financial services career with Goldman Sachs followed by Medsite, Inc., an internet healthcare and technology company, and Bain Consulting, a management consulting firm. Mr. Ryan joined Yardville National Bank in 2005 as head of Strategic Planning and Corporate Development, responsible for strategy, mergers and acquisitions, branch expansion, investor relations, research and analysis. He became First Senior Vice President, Emerging Markets Manager with responsibility for building and managing operations in Middlesex County, New Jersey. He remained with Yardville National Bank until it was sold to PNC Corporation in 2007. He then worked with the investor group that recapitalized First Bank. Mr. Ryan joined the board in 2008, and initially served as Chief Operating Officer. He became President and CEO in 2013. Mr. Ryan is the son of Patrick M. Ryan, Chairman of the Board. Mr. Ryan’s position as First Bank’s President and CEO, and his 20 years of banking experience, qualify him to serve on the board of directors at First Bank.

**Douglas C. Borden, 63.** Mr. Borden is responsible for the management and sales of commercial and personal insurance as President of CBIZ Insurance Services North Atlantic Region. He was previously with W.S. Borden Company from 1983 until the formation of Borden Perlman Insurance Agency in 1995. Mr. Borden provides property & casualty risk management/brokerage services to more than 20 banks in three states. Mr. Borden previously served on the Board of Hopewell Valley Community Bank, then on the Advisory Board of Northfield Bank. In January 2024, he became a Certified Director by Bank Director. The certification required an in-person workshop and 27 online courses. He serves as First Bank’s Chair of the Nominating & Governance Committee and serves on the committees of Compensation & Personal and Information Technology. His experience in the banking and insurance business qualifies him to serve on the board of directors at First Bank.

**Andrew Fish, 40.** Mr. Fish is a managing member of The Real Estate Equity Company (“TREECO”) in Englewood, New Jersey, where he is responsible for leasing of the entire firm’s real estate portfolio, acquisitions and development projects. TREECO owns and manages over 1.5 million square feet of shopping centers. Prior to joining TREECO in 2009, Mr. Fish was the director of leasing for Vornado Realty Trust. Mr. Fish is also currently a director of American Spraytech in Branchburg, New Jersey. Also, since 2022 Mr. Fish has served on the North-East Regional Advisory Board of the Simon Wiesenthal Center in New York City. Mr. Fish served as director of Malvern Bancorp, Inc., and Malvern Bank, NA from 2016 to July 2023. He has also served on various boards including Union Center National Bank’s advisory board and the board of the Englewood Chamber of Commerce. Mr. Fish’s vast real estate experience and board level experience make him well qualified to serve as a director at First Bank.

**Scott R. Gamble, 64.** Mr. Gamble is a Principal at Patriot Financial Partners, L.P. and has more than 38 years of banking experience. Prior to joining Patriot, Mr. Gamble was the Regional President for BB&T’s Greater Delaware Valley Region. He was responsible for BB&T’s commercial and retail management teams, covering the Greater Delaware Valley. In addition, he was responsible for the commercial real estate and regional corporate lending teams. He also serves on the board of directors of Fortis Financial Inc. (a privately held company). A graduate of Grove City College with a B.A. in Business Administration, Mr. Gamble has also pursued additional training in management and capital markets. His vast experience throughout his banking career in the management of commercial banking, retail banking and business development for community offices and business centers qualifies Mr. Gamble to serve on the board of directors at First Bank.

**Deborah Paige Hanson, 62.** Ms. Hanson is a Principal, Executive Vice President, Chief Risk Officer and Fund Manager of The Hampshire Companies, a real estate operating company offering a diversified investment platform. Ms. Hanson has been with The Hampshire Companies since 1983 and focuses on the oversight and coordination of its acquisitions, dispositions, leasing, financing, development and operations. Additionally, she serves as the Chair of Hampshire's Risk Committee, is a member of its Legal and Compliance Committee, Investment Management Committee and Executive Committee. Within her community, she serves as Trustee on the Foundation Board for Morristown Memorial Center and is on the Board of Carol G. Simon Cancer Center Philanthropic Council. Additionally, Ms. Hanson is a Board Member of NJ-NAIOP, a statewide commercial real estate trade organization. Ms. Hanson graduated Magna Cum Laude and holds a B.A. degree from Hope College. Ms. Hanson serves as First Bank's Chair of the Compensation and Personnel Committee. Her substantial experience in real estate, operations, and leadership, qualifies Ms. Hanson to serve on the board of directors at First Bank.

**Glenn M. Josephs, 69.** Mr. Josephs is a Certified Public Accountant and retired from the accounting firm Friedman, LLP. Mr. Josephs has over 44 years of experience providing accounting and consulting services. Mr. Josephs works closely with many commercial and residential real estate developers, owners, investors, syndicators and management companies, including those involved in affordable housing. He also has experience with nonprofit organizations, and healthcare and medical practices. Mr. Josephs joined the board in 2008. His accounting experience qualifies him to serve as First Bank's "audit committee financial expert" under the relevant criteria established under SEC regulation, which is essential to the board, as well as Chairman of the Audit and Risk Management Committee at First Bank.

**Michael E. Salz, 53.** Mr. Salz was the owner of Linden Bulk Transportation Co, which was acquired in 2016 and he continues his leadership position as President of the company now operating under the name of Linden Bulk Transportation LLC. Mr. Salz has over 30 years' experience in the trucking industry. He is a member of the Linden Industrial Association and the National Tank Truck Carriers Association. Mr. Salz also has an ownership interest in Linden Warehouse and Distribution Co., a New Jersey based third party logistics provider and serves on their board of directors. He earned his B.A. in Urban Studies specializing in Government and Politics from the University of Maryland. Mr. Salz also owns several investment properties including a hotel business. Mr. Salz's real estate and business background qualifies him to serve on the board of directors at First Bank.

**Neha Shah, 46.** Mrs. Shah is president and co-founder of GEP, a supply chain and procurement software and consulting organization. In her 23 years with GEP, Ms. Shah has led the organization's development from its founding into a globally recognized leader in digital supply chain and procurement transformation. Prior to her experience with GEP, Ms. Shah began her career as a management consultant with Accenture. Ms. Shah is active in the community as a board member of multiple non-profit organizations. She is also an active member of the Young Presidents' Organization and was recognized for her professional achievements by Ernst & Young's Entrepreneur of the Year program in 2023. Mrs. Shah earned a Bachelor of Arts in international relations from the University of Pennsylvania's College of Arts and Sciences, along with a Bachelor of Science in economics and an MBA in entrepreneurial management from the Wharton School of Business at the University of Pennsylvania. Mrs. Shah's entrepreneurial experience, expertise in information technology and software, community involvement, and board experience qualify her to serve as a director at First Bank.

**John E. Strydesky, 75.** Mr. Strydesky is a Certified Public Accountant with over 46 years' experience in public accounting of which over 30 years in his own public accounting practice located in Linden, New Jersey. His firm specializes in finance and business consulting. He has secured debt financing and tax exempt bond financing for his clients through banks, the New Jersey Economic Development Authority, the U.S. Small Business Administration and other financial lending institutions. Mr. Strydesky holds an M.B.A. from Farleigh Dickenson University. He has served as a Trustee for the New Jersey Society of Certified Accountants and other various professional organizations. Mr. Strydesky is also a real estate investor in commercial and residential properties. Mr. Strydesky joined the First Bank Board of Directors in 2010. His accounting experience as well as his commercial real estate and small business lending experience qualifies him to serve on the board of directors at First Bank.

## 2023 Director Compensation

The following table sets forth information concerning compensation accrued or paid to First Bank's non-employee directors during the year ended December 31, 2023 for their service on the board of directors.

Directors who are also employees receive no additional compensation for their services as directors and are not set forth in the table below.

Name	Fees Earned or Paid in Cash (\$)	Option Awards <sup>(1)</sup> (\$)	Restricted Stock Awards <sup>(1)</sup> (\$)	Total (\$)
Patrick M. Ryan.....	77,500	19,375	58,125	155,000
Leslie E. Goodman.....	45,000	11,250	33,750	90,000
Douglas C. Borden <sup>(2)</sup> .....	35,000	6,875	20,625	62,500
Andrew Fish <sup>(2)(5)</sup> .....	20,625	5,156	15,469	41,250
Scott R. Gamble <sup>(4)</sup> .....	55,000	-	-	55,000
Deborah Paige Hanson <sup>(3)</sup> .....	35,000	6,875	20,625	62,500
Glenn M. Josephs <sup>(2)</sup> .....	37,500	6,875	20,625	65,000
Howard Kent <sup>(5)</sup> .....	20,625	5,156	15,469	41,250
Cynthia Felzer Leitzell <sup>(5)</sup> .....	20,625	5,156	15,469	41,250
Peter Pantages <sup>(2)</sup> .....	27,500	6,875	20,625	55,000
Michael E. Salz <sup>(2)</sup> .....	32,500	6,875	20,625	60,000
John E. Strydesky <sup>(2)</sup> .....	32,500	6,875	20,625	60,000

(1) Amounts reflect the grant date fair value of options and restricted stock awards granted pursuant to the Director Compensation Plan on April 28, 2023 in accordance with ASC Topic 718. See Note 13 to First Bank's audited consolidated financial statements for the fiscal years ended December 31, 2023 filed with First Bank's Form 10-K for assumptions made in the valuation. These amounts do not correspond to the actual value that the directors will recognize. Option awards and restricted stock awards are subject to a one-year vesting schedule under the Director Compensation Plan.

(2) Participated in the Director Fee Deferral Plan and elected to defer 100% of his or her fees.

(3) Participated in the Director Fee Deferral Plan and elected to defer 75% of her fees.

(4) Scott R. Gamble's fees are paid in cash directly to Patriot Financial Partners where Mr. Gamble is a Principal.

(5) Andrew Fish, Howard Kent and Cynthia Leitzell became Board members effective July 17, 2023. Amounts shown for Restricted Stock Award reflect the grant date fair value of options and restricted stock awards granted pursuant to the Director Compensation Plan on July 26, 2023 in accordance with ASC Topic 718.

The Director Compensation Plan is a retainer based compensation plan. Non-employee directors are paid a service retainer of \$55,000 annually with 50% payable in cash and 50% payable in equity. No meeting or committee fees are paid under the Director Compensation Plan. The Audit and Risk Management Committee Chair, the Nominating and Governance Committee Chair, the Compensation and Personnel Committee Chair, the Information Technology Committee Chair and the Compliance Committee Chair receive an additional \$10,000, \$7,500, \$7,500, \$5,000 and \$5,000, respectively. The total retainers for the Chairman of the Board and Vice Chairman of the Board/Lead Independent Director are \$155,000 and \$90,000, respectively. The Chairman and Vice Chairman do not receive additional fees as Committee chairs.

As part of the Director Compensation Plan, on April 28, 2023, Chairman of the Board Ryan was granted 6,017 option awards and 5,986 restricted stock awards. Vice Chairman and Lead Independent Director Goodman was granted 3,494 option awards and 3,476 restricted stock awards. Directors Borden, Hanson, Josephs, Pantages, Salz and Strydesky were all granted 2,135 option awards and 2,124 restricted stock awards. On July 26, 2023, Directors Fish, Kent and Leitzell were granted 1,148 option awards and 1,254 restricted stock awards. As previously noted, Mr. Gamble's fees are paid in cash directly to Patriot Financial Partners.

The Compensation and Personnel Committee (the "Compensation Committee") reviews all elements of non-employee compensation, just described, and makes an annual compensation recommendation to the board. Working with First Bank's compensation consultant, the Compensation Committee annually reviews that director compensation is aligned with business and shareholder interests, that compensation is competitive relative to First Bank's peer group and recommends any adjustments to director compensation based on the competitive environment.

First Bank has a Director Fee Deferral Plan (the "Plan") for non-employee directors. Under a Director Fee Deferral Agreement each non-employee director may elect annually to defer 0% to 100% of his or her fees. In 2023, interest was credited on each director's deferral account at 7.76%. The minimum crediting rate is 4% with a maximum of 10%, adjusted annually. Upon retirement, the Plan will pay the accrued benefits over a period of up to ten years (with interest), or lump sum, at the written election of each participating director.

### **Non Director Executive Officers**

**Peter J. Cahill, 67, Executive Vice President and Chief Lending Officer.** Mr. Cahill joined First Bank in 2008. Previously he served as Senior Vice President/Sales Manager for PNC Financial Services Group, overseeing a portfolio of commercial banking customers in New Jersey. Mr. Cahill has over 40 years of banking experience including positions with Midlantic National Bank, Fleet Boston and Yardville National Bank. Mr. Cahill earned a B.A. Degree in Political Science from Dickinson College and graduated with honors from Stonier Graduate School of Banking.

**Andrew L. Hibshman, 42, Executive Vice President and Chief Financial Officer.** Mr. Hibshman has served as Executive Vice President and Chief Financial Officer of First Bank since July 2021. Mr. Hibshman joined First Bank in 2016 as its Chief Accounting Officer. Outside of his experience with First Bank, Mr. Hibshman was the Chief Financial Officer of a community bank in Philadelphia and worked at Grant Thornton LLP in the company's financial institutions audit practice. Mr. Hibshman earned a B.S. Degree in Accounting from Drexel University and holds a Certified Public Accountant designation.

**John F. Shepardson, 49, Executive Vice President and Chief Operating Officer.** Mr. Shepardson has served as Executive Vice President and Chief Operating Officer of First Bank since January 2021, working directly with First Bank's Strategic Planning, Compliance, Information Technology, Retail, and Facilities teams. Mr. Shepardson joined First Bank in 2018 as its Chief Administrative Officer. Outside of his experience with First Bank, Mr. Shepardson worked in consulting, including roles as an Executive Director with Ernst & Young, and a Senior Consultant with Arthur Andersen. Mr. Shepardson earned a Master of Business Administration degree from the Carroll School of Management at Boston College, and holds a Bachelor of Science in Civil Engineering degree from the University of Michigan.

**Maria E. Mayshura, 58, Executive Vice President and Chief Risk Officer.** Ms. Mayshura has served as Chief Risk Officer for First Bank since 2020 and was appointed an Executive Vice President in January 2021. Ms. Mayshura has more than 30 years of experience in banking as an internal auditor, during which time she has been responsible for compliance regulations, Sarbanes Oxley implementation and most recently COSO implementation. She has been an active member of the New Jersey Banking Association and Institute of Internal Auditors since 1993. Ms. Mayshura earned a Master of Business Administration and Management degree from Thomas Edison State College, and holds a Bachelor of Science in Accounting degree from Caldwell College.

**Darleen Gillespie, 55, Executive Vice President and Chief Retail Banking Officer.** Ms. Gillespie has served as Chief Retail Banking Officer for First Bank since 2021 and was appointed an Executive Vice President in February 2024. Ms. Gillespie has over 30 years of experience in banking in the Retail division in management and leadership roles. Prior to joining First Bank, she was a Regional Manager at Provident Bank. Ms. Gillespie earned her MBA from the Isenberg School of Management, UMass Amherst and holds a Bachelor of Science Degree in Business Administration from Ramapo College of NJ. She also graduated from the Stonier Graduate School of Banking.

## Diversity

The First Bank Board of Directors considers the enhancement of the diversity of perspectives and experiences when selecting candidates for board service, among other criteria. To that end First Bank has varied ages and perspectives on its board. The First Bank board is committed to being constituted of highly qualified individuals with a broad spectrum of competencies and an appropriate mix of experience, expertise and perspectives. This commitment is key to enabling the First Bank board to carry out its wide-ranging responsibilities. The First Bank board recognizes the benefits of diversity in its membership as a competitive advantage, which is in keeping with First Bank’s commitment to diversity and inclusion at all levels of First Bank’s workforce. For purposes of board composition, diversity includes, but is not limited to: skills and experience, gender, race, culture and ethnicity, sexual orientation, income, ability, age, and language. The First Bank board will make good use of these differences and distinctions among individuals to determine the optimum composition of the board. While education and skills are important factors, the First Bank Board of Directors also considers how candidates will contribute to the overall balance of the board, so that First Bank and the First Bank board will benefit from directors with different perspectives, varying view points and diverse backgrounds and experiences.

### Board Diversity Matrix

	Female	Male	Non-Binary
<b>Part 1: Gender Identity</b>			
Directors .....	2	11	0
Executive Officers .....	2	3	0
<b>Part 2: Demographic Background</b>			
<b>Non-Minority</b>			
Directors .....	2	11	0
Executive Officers .....	0	3	0
<b>Minority</b>			
Directors .....	0	0	0
Executive Officers .....	2	0	0
<b>LGBTQ</b>			
Directors .....	0	0	0
Executive Officers .....	0	0	0

## Security Ownership of Certain Beneficial Owners and Management

The following table sets forth information as of March 8, 2024 regarding the number of shares of First Bank common stock beneficially owned by (i) each of First Bank's current directors, (ii) each of First Bank's named executive officers, (iii) all of First Bank's directors and executive officers as a group and (iv) each person, or group of affiliated persons known by First Bank to beneficially own more than 5% of First Bank's common stock. Beneficial ownership includes shares, if any, held in the name of the spouse, minor children or other relatives of the director or executive, living in such person's home, as well as shares, if any, held in the name of another person under an arrangement whereby the director or executive officer can vest title in himself or herself at once or within 60 days. Unless otherwise noted, the beneficial owners have sole voting and investment power with respect to the shares listed below.

Name	Shares Beneficially Owned	Percentage of Class Outstanding*
<b>Directors:***</b>		
Patrick M. Ryan <sup>(1)</sup> .....	401,586	1.60%
Leslie E. Goodman <sup>(2)</sup> .....	245,275	**
Patrick L. Ryan <sup>(3)</sup> .....	494,782	1.95%
Douglas C. Borden <sup>(4)</sup> .....	141,797	**
Andrew Fish <sup>(5)</sup> .....	17,232	**
Scott R. Gamble <sup>(6)</sup> .....	230	**
Deborah Paige Hanson <sup>(7)</sup> .....	58,538	**
Glenn M. Josephs <sup>(8)</sup> .....	95,720	**
Howard Kent <sup>(9)</sup> .....	145,836	**
Cynthia Felzer Leitzell <sup>(10)</sup> .....	21,870	**
Peter Pantages <sup>(11)</sup> .....	197,796	**
Michael E. Salz <sup>(12)</sup> .....	70,276	**
John E. Strydesky <sup>(13)</sup> .....	339,812	1.35%
<b>Named Executive Officers who are not Directors</b>		
Peter J. Cahill <sup>(14)</sup> .....	125,106	**
Andrew L. Hibshman <sup>(15)</sup> .....	45,342	**
John F. Shepardson <sup>(16)</sup> .....	41,325	**
<b>Directors, Nominees and Executive Officers as a group (18 persons)<sup>(17)</sup>.....</b>	<b>2,469,975</b>	<b>9.62%</b>
<b>5% Shareholders:</b>		
Patriot Financial Partners GP, LP <sup>(18)</sup> .....	1,750,337	6.97%
Blackrock Inc. <sup>(19)</sup> .....	1,728,574	6.89%
Banc Funds Co LLC <sup>(20)</sup> .....	1,690,908	6.74%

(\*) Based on a total of 25,100,108 shares of common stock outstanding as of March 8, 2024, plus any shares of common stock such person or group has the right to acquire within 60 days of March 8, 2024.

(\*\*) Less than 1%.

(\*\*\*) All stock options and restricted shares issued to directors prior to 2018 are subject to a three-year vesting schedule. All stock options and restricted shares issued to directors, excluding Patrick L. Ryan, during or after 2018 are subject to a one-year vesting schedule. All stock options and restricted shares issued to executive officers, including Patrick L. Ryan, are subject to a three-year vesting schedule. The shares of restricted stock can be voted immediately upon issuance but are subject to a one or three-year vesting schedule.

(1) Includes 33,955 shares held by Mr. Ryan's spouse as to which Mr. Ryan disclaims beneficial ownership. Also includes 68,166 shares issuable upon the exercise of stock options within 60 days of March 8, 2024 and 5,986 shares of restricted stock granted on April 28, 2023 vesting within 60 days of March 8, 2024.



- (2) Includes 113,000 shares held by Goodman Family Holdings, LLC, a Delaware limited liability company, of which Mr. Goodman has a 1% membership interest and 99% of which is owned by an irrevocable trust established for the benefit of his wife and children as to which Mr. Goodman disclaims beneficial ownership. Also includes 14,654 shares held in the Leslie Eugene Goodman 2012 GST Exempt Trust which is a trust established for the benefit of Mr. Goodman's wife and Mr. Goodman is the Trustee as to which Mr. Goodman disclaims beneficial ownership. Also includes 35,674 shares issuable upon the exercise of stock options within 60 days of March 8, 2024 and 3,476 shares of restricted stock granted on April 28, 2023 vesting within 60 days of March 8, 2024.
- (3) Includes 195,699 shares issuable upon the exercise of stock options within 60 days of March 8, 2024, and 10,088, 9,151, and 4,646 shares of unvested restricted stock granted on February 20, 2024, February 21, 2023, and February 22, 2022, respectively.
- (4) Includes 69,000 shares held by BP Ins. Investments LLC. Mr. Borden owns a 50% membership interest in such company and through his position exercises voting and investment power over these shares. Also includes 14,945 shares issuable upon the exercise of stock options within 60 days of March 8, 2024. Also includes 2,124 shares of restricted stock granted on April 28, 2023 vesting within 60 days of March 8, 2024.
- (5) Includes 2,925 shares held indirectly by a family partnership, and 2,780 shares held indirectly through Mr. Fish's IRS. Also includes 1,148 shares issuable upon the exercise of stock options within 60 days of March 8, 2024. Also includes 1,254 shares of restricted stock granted on July 26, 2023 vesting within 60 days of March 8, 2024.
- (6) Mr. Gamble is a principal of Patriot Financial Manager, L.P., which is an affiliate of Patriot Financial Partners III, L.P. ("Patriot Fund III"). Mr. Gamble has no voting or investment power over any shares held by Patriot Fund III or its affiliates. See footnote 18 below for further details.
- (7) Includes 30,000 shares held in the Hanson Family LP of which Ms. Hanson has a voting membership interest. Also includes 14,945 shares issuable upon the exercise of stock options within 60 days of March 8, 2024 and 2,124 shares of restricted stock granted on April 28, 2023 vesting within 60 days of March 8, 2024.
- (8) Includes 14,945 shares issuable upon the exercise of stock options within 60 days of March 8, 2024. Also includes 2,124 shares of restricted stock granted on April 28, 2023 vesting within 60 days of March 8, 2024.
- (9) Includes 29,941 shares held indirectly by a trust for the benefit of Mr. Kent's spouse. Also includes 1,148 shares issuable upon the exercise of stock options within 60 days of March 8, 2024. Also includes 1,254 shares of restricted stock granted on July 26, 2023 vesting within 60 days of March 8, 2024.
- (10) Includes 1,148 shares issuable upon the exercise of stock options within 60 days of March 8, 2024. Also includes 1,254 shares of restricted stock granted on July 26, 2023 vesting within 60 days of March 8, 2024.
- (11) Includes 22,444 shares held by Mr. Pantages's spouse's revocable trust, 19,577 shares held by a relative for which Mr. Pantages is the Power of Attorney and 13,051 shares held in an irrevocable trust for a family member. Also includes 9,484 shares issuable upon the exercise of stock options within 60 days of March 8, 2024 and 2,124 shares of restricted stock granted on April 28, 2023 vesting within 60 days of March 8, 2024.
- (12) Includes 14,945 shares issuable upon the exercise of stock options within 60 days of March 8, 2024. Also includes 2,124 shares of restricted stock granted on April 28, 2023 vesting within 60 days of March 8, 2024.
- (13) Includes 22,445 shares issuable upon the exercise of stock options within 60 days of March 8, 2024. Also includes 2,124 shares of restricted stock granted on April 28, 2023 vesting within 60 days of March 8, 2024.
- (14) Includes 47,010 shares issuable upon the exercise of stock options within 60 days of March 8, 2024, and 3,860, 3,962, and 1,613, unvested shares of restricted stock granted on February 20, 2024, February 21, 2023, and February 22, 2022, respectively.

- (15) Includes 23,597 shares issuable upon the exercise of stock options within 60 days of March 8, 2024, and 3,860, 2,992, and 1,524 shares of unvested restricted stock granted on February 20, 2024, February 21, 2023 and February 22, 2022, respectively.
- (16) Includes 25,304 shares issuable upon the exercise of stock options within 60 days of March 8, 2024, and 3,033, 2,816, and 1,524 shares of restricted stock granted on February 20, 2024, February 21, 2023, and February 22, 2022, respectively.
- (17) Includes executive officers for beneficial ownership purposes on March 8, 2024.
- (18) Based on Schedule 13F filing for the year ended December 31, 2023. Voting and investment power with respect to these shares may be deemed to be shared by Patriot GP III, which is the general partner of Patriot Fund III, by Patriot GP III LLC, which is the general partner of Patriot GP III, and by W. Kirk Wycoff, James F. Deutsch, and James J. Lynch, who serve as the general partners of the Patriot Fund III and Patriot GP III, as members of Patriot GP III, LLC, and as members of the investment committee of Patriot Fund III. The address of each of the foregoing entities and persons is c/o Patriot Financial Partners III, L.P., Four Radnor Center, 100 Matsonford Rd., Suite #210 Radnor, Pennsylvania 19087.
- (19) Based on Schedule 13F filing for the year ended December 31, 2023.
- (20) Based on Schedule 13F filing for the year ended December 31, 2023.

Director Patrick M. Ryan pledged 139,646 shares of First Bank's Common Stock to secure credit from third party financial institutions. Director Patrick L. Ryan pledged 119,220 shares of First Bank Common Stock to secure credit from a third party financial institution. Director John E. Strydesky pledged 91,000 shares of First Bank Common Stock to secure credit from a third party financial institution. None of these pledges would result in a change of control.

First Bank has not adopted a policy regarding the ability of officers, directors and employees to purchase financial instruments (including prepaid variable forward contracts, equity swaps, collars, and exchange funds) or otherwise engage in transactions that hedge or offset, or are designed to hedge or offset, any decrease in the market value of registrant equity securities.

### **Board Independence**

A majority of First Bank's directors are independent under the NASDAQ Marketplace Rules (the "NASDAQ Listing Rules"). Patrick L. Ryan, who serves as President and CEO, is not considered "independent" by virtue of his current employment with First Bank. Patrick M. Ryan, Chairman, is not considered "independent" as he is the father of Patrick L. Ryan, President and Chief Executive Officer. In making the independence determinations the board of directors considered the transactions and relationships disclosed under the "Related Party Transactions" section below.

### **Board of Directors and Committees**

The business affairs of First Bank are overseen by a board of directors. The First Bank Board of Directors meets on a monthly and on an "as-needed" basis. During 2023, the First Bank Board of Directors met fourteen (14) times.

For the year ended December 31, 2023, each director attended at least 75% of the aggregate total number of meetings of the First Bank Board of Directors and board committees on which the director served.

The First Bank Board of Directors has a standing Audit and Risk Management Committee, a Nominating and Governance Committee and a Compensation and Personnel Committee. The composition and responsibilities of each committee are described below. Members serve on these committees until their resignation or until otherwise determined by the board of directors. The First Bank Board of Directors has adopted a written charter for each aforementioned standing committee, which are available on First Bank’s website at [www.firstbanknj.com](http://www.firstbanknj.com).

<u>Committee:</u>	<u>Audit and Risk Management</u>	<u>Nominating and Governance</u>	<u>Compensation and Personnel</u>
<b>Number of Meetings:</b> .....	6	4	4
<b>Name of Director:</b>			
Patrick M. Ryan, Chairman.....			
Leslie E. Goodman, Vice Chairman.....	X		X
Patrick L. Ryan, President and Chief Executive Officer.....			
Douglas C. Borden.....		*	X
Andrew Fish.....			X
Scott R. Gamble.....	X		X
Deborah Paige Hanson.....		X	*
Glenn M. Josephs.....	*	X	X
Howard Kent.....	X		
Cynthia Leitzell.....	X	X	
Peter Pantages.....		X	
Michael E. Salz.....	X	X	X
John E. Strydesky.....	X		

X = committee member, \* = committee chair

The First Bank Board of Directors also has the following standing committees: Asset and Liability Management Committee, Compliance Committee, Board Loan Committee, Information Technology Committee and Strategic Planning Committee.

#### **Audit and Risk Management Committee**

The Audit and Risk Management Committee is responsible for the selection and recommendation of the independent registered public accounting firm for the annual financial statements audit and to oversee First Bank’s adherence to a system of internal controls over financial reporting. The Audit and Risk Management Committee reviews and accepts the reports of First Bank’s independent registered public accountants, federal and state examiners and internal auditors. During 2023, the Audit and Risk Management Committee was chaired by Mr. Josephs and the other members were Messrs. Gamble, Goodman, Kent, Salz, Strydesky, and Mrs. Leitzell.

Each member of the Audit and Risk Management Committee is “independent” as defined by the NASDAQ Listing Rules and the independence requirements of Rule 10A-3 of the Exchange Act. Each member of the Audit and Risk Management Committee is able to read and understand fundamental financial statements, including First Bank’s consolidated financial statements. First Bank’s Board of Directors has designated Glenn M. Josephs as its “audit committee financial expert” as such term is currently defined in Item 407(d)(5) of Regulation S-K. The Audit and Risk Management Committee met six (6) times in 2023.

## **Audit and Risk Management Committee Report**

The Audit and Risk Management Committee meets periodically to consider the adequacy of First Bank's internal control over financial reporting and the objectivity of its financial reporting. The Audit and Risk Management Committee meets with First Bank's independent registered public accountants and internal auditors, all of whom have unrestricted access to the Audit and Risk Management Committee.

The Audit and Risk Management Committee has reviewed and discussed First Bank's audited consolidated financial statements for the fiscal year 2023 with management and BDO USA, P.C., First Bank's independent registered public accountants. The Audit and Risk Management Committee also discussed with BDO USA, P.C. the matters required to be discussed by the standards of the Public Company Accounting Oversight Board ("PCAOB") Auditing Standard No. 1301. The Audit and Risk Management Committee has received the written disclosures and letters from BDO USA, P.C. required by PCAOB Rule 3526 "Communication with Audit Committees Concerning Independence," and has discussed with representatives of BDO USA, P.C. their independence.

Based on these reviews and discussions, the Audit and Risk Management Committee recommended to the Board of Directors that the audited consolidated financial statements be included in First Bank's Annual Report on Form 10-K for the fiscal year 2023 for filing with the FDIC.

Glenn M. Josephs, Chairperson  
Scott R. Gamble  
Leslie E. Goodman  
Howard Kent  
Cynthia Leitzell  
Michael E. Salz  
John E. Strydesky

## **First Bank Nominating and Governance Committee**

The purpose of the Nominating and Governance Committee is primarily to:

- assess Board and committees composition, size, additional skills and talents needed and identify and evaluate candidates and make recommendations to the Board of Directors regarding those assessments and/or candidates;
- develop and implement a process to assess board effectiveness and develop and implement corporate governance guidelines; and
- recommend to the Board of Directors the nominees for election as directors and consider performance of incumbent directors to determine whether to nominate them for re-election.

For the four (4) meetings held in 2023, the Nominating and Governance Committee was chaired by Mr. Borden and the other members were Ms. Hanson, Mrs. Leitzell, and Messrs. Josephs, Pantages, and Salz. Each member of the Nominating and Governance Committee is an independent director as defined by the NASDAQ Listing Rules.

In evaluating new candidates for nomination to the Board of Directors, the Nominating and Governance Committee considers one or more of the following factors, as well as any other factors deemed relevant by the Nominating and Governance Committee: independence, integrity, knowledge, judgment, character, leadership skills, education, experience, financial literacy, diversity, technical background, standing in the community and the needs of the Board of Directors in light of the current mix of directors' skills and attributes. In evaluating incumbent directors as candidates for re-election, the Nominating and Governance Committee shall consider that director's overall service to First Bank, including the number of meetings attended, level of participation, quality of performance, and any other factors deemed relevant by the Nominating and Governance Committee.

The Nominating and Governance Committee will consider qualified nominations for directors recommended by First Bank's shareholders. All shareholder recommendations are evaluated on the same basis as any recommendation from members of the Board of Directors or management. Recommendations should be sent in writing to Patrick L. Ryan, 2465 Kuser Road, Hamilton, New Jersey 08690, and must include the same information as that required to be included by First Bank in its proxy statement with respect to nominees of the Board of Directors. Mr. Ryan will forward all recommendations to the Nominating and Governance Committee.

## **First Bank Compensation and Personnel Committee**

The Compensation and Personnel Committee (the “Compensation Committee”) assists, advises and makes recommendations to the Board of Directors on executive and director compensation matters, including evaluating and recommending to the board compensation and benefit plans for First Bank executives and directors, as well as evaluating the performance of First Bank’s executives. The Compensation Committee also has been delegated responsibility for making certain compensation decisions relating to First Bank’s executives and equity compensation plans.

The Compensation Committee also may request others, including compensation consultants and legal counsel, to attend meetings or to provide relevant information to assist the committee in its work. The Compensation Committee also has the authority to retain compensation and benefits consultants and legal counsel to assist the Committee in fulfilling its responsibilities and determine their independence.

For 2023 executive compensation, the Compensation Committee engaged Aon Human Capital Solutions, a division of Aon plc (“Aon”), for these services. The Compensation Committee considers competitive market data, advice and recommendations provided by its compensation consultant in making compensation decisions. The compensation consultant is independent of management, reports directly to the Compensation Committee, and has no economic relationship with First Bank other than the compensation consultant’s role as advisor to the Compensation Committee. The Compensation Committee does not delegate its authority regarding compensation.

The Compensation Committee is chaired by Ms. Hanson and the other members are Messrs. Borden, Fish, Gamble, Goodman, Josephs, and Salz, all of whom are “independent” as determined under the definition of independence set forth in NASDAQ’s rules and listing standards. Each member of the Committee is a non-employee director within the meaning of Rule 16b-3 of the rules promulgated under the Exchange Act. During 2023, the Compensation Committee met four (4) times.

## **First Bank Executive Compensation**

### **First Bank Compensation Discussion & Analysis**

First Bank is a “smaller reporting company” under Item 10 of Regulation S-K promulgated under the Exchange Act and the following compensation disclosure is intended to comply with the requirements applicable to smaller reporting companies. Although SEC rules allow First Bank, as a smaller reporting company, to provide less detail about its executive compensation program, the Compensation Committee is committed to providing the information necessary to help shareholders understand its executive compensation-related decisions. Accordingly, this section includes supplemental narratives that describe the 2023 executive compensation program for First Bank’s named executive officers. You are encouraged to refer to the compensation tables that appear later in this Proxy Statement while reviewing this section in order to understand how the compensation philosophy is put into action.

#### *Performance Highlights*

Full year 2023 net income was \$20.9 million, or \$0.95 per diluted share, compared to \$36.3 million, or \$1.84 per diluted share for 2022. Return on average assets, return on average equity and return on average tangible equity for the full year 2023 were 0.66%, 6.38% and 7.17%, respectively. Excluding merger-related expenses, losses on the sale of loans and investments, and credit loss expenses on acquired loans, full year 2023 adjusted diluted earnings per share were \$1.64, adjusted return on average assets was 1.14%, and adjusted return on average tangible equity was 12.43%.

First Bank's acquisition of Malvern Bancorp, Inc. and Malvern Bank ("Malvern") on July 17, 2023, added meaningfully to the Bank's earnings profile, contributing to a 30% increase in fourth quarter 2023 adjusted revenue compared to the fourth quarter of 2022, despite the challenging interest rate environment. Net interest income increased 13.1% during the year ended December 31, 2023 compared to the year ended December 31, 2022, driven by higher interest income from loans which was partially offset by higher interest expense related to the higher cost of deposits and expanded deposit base. Finally, First Bank’s credit quality profile remained strong. Nonperforming assets as a percentage of total assets increased slightly to 0.69% as of December 31, 2023 from 0.68% as of December 31, 2022.

The following *Compensation Philosophy* outlines First Bank’s pay-for-performance philosophy, and our belief that our executive compensation is consistent with the Bank's recent performance.

### *Compensation Philosophy*

First Bank's executive compensation program reflects our pay-for-performance philosophy and is designed to align the interests of management with the Company's long-term success and the interests of its shareholders. The governing principle behind our executive compensation policies and programs is aligning executive compensation with the financial strength and long-term profitability of the Company as well as long-term shareholder value creation. The Compensation Committee achieves this objective by rewarding successful annual performance through short-term cash incentives and granting meaningful equity awards to executives to align their interests with shareholder interests. First Bank is committed to the compensation principle of paying for performance, and we believe that our executive compensation mix encourages prudent risk taking and aligns individual rewards with the success of the Company.

The Compensation Committee also recognizes that attracting and retaining high-quality management is critical to First Bank's long-term success in a highly regulated and competitive industry. First Bank's goal is to be a high-performing company, so our executive compensation package is designed to attract, retain, motivate and reward high-quality executives for strong performance. Accordingly, the Compensation Committee believes that executive compensation should be determined according to a market-competitive framework and should reflect a combination of overall financial and non-financial performance results, collaboration and individual contributions. The Compensation Committee believes the following executive compensation policies and programs are consistent with this philosophy:

- First Bank strives to be competitive in base pay, taking into consideration salaries of similar positions at comparable banks in First Bank's peer group.
- First Bank structured the incentive compensation system to provide rewards based on performance metrics that reflect First Bank's strategic plan and balance executives' focus on both short-term goals and long-term success, without creating undue risk.
- First Bank generally targets total compensation for expected performance levels that is similar to that of First Bank's peer group of comparable banks. For exceptional performance, First Bank provides total compensation reflecting that performance.

### *Benchmarking*

Prior to establishing 2023 compensation levels for First Bank's named executive officers ("NEOs"), the Compensation Committee once again engaged Aon Human Capital Solutions, a division of Aon plc, to undertake a comprehensive review of its executive compensation practices in relation to peer institutions. This review included competitive assessments of base salary, short-term cash incentive awards, long-term equity incentive awards and executive benefits and perquisites. The compensation review by Aon was utilized by the Compensation Committee as one of several considerations in establishing the 2023 executive compensation program for First Bank's executives.

The peer group utilized in the executive compensation review was established based on a number of factors, including location, asset size and business profile. Each of the companies is publicly-traded and was within a range of approximately \$1.6 billion to \$5.6 billion in assets. First Bank's asset size of \$2.6 billion was at the 52nd percentile of the peer group as of the time the peer group was selected.

For 2023, First Bank’s peer group consisted of the following companies:

<u>Company Name</u>	<u>Ticker</u>	<u>Company Name</u>	<u>Ticker</u>
Financial Institutions Inc.	FISI	First of Long Island Corp.	FLIC
CNB Financial Corporation	CCNE	Chemung Financial Corporation	CHMG
Arrow Financial Corporation	AROW	Unity Bancorp Inc.	UNTY
Orrstown Financial Services	ORRF	ACNB Corp.	ACNB
Primis Financial Corp	FRST	Parke Bancorp, Inc.	PKBK
Northfield Bancorp	NFBK	The Bank of Princeton	BPRN
BCB Bancorp, Inc.	BCBP	Citizens & Northern Corp.	CZNC
Peoples Financial Services Corp.	PFIS	Community Financial Corp.	TCFC
Orange County Bancorp Inc.	OBT	Evans Bancorp Inc.	EVBN
Mid Penn Bancorp Inc.	MPB	John Marshall Bancorp Inc.	JMSB
Codorus Valley Bancorp, Inc.	CVLY	Citizens Financial Services	CZFS
Norwood Financial Corp.	NWFL		

### Components of First Bank Executive Compensation

There are three major components of First Bank’s executive compensation program:

- base annual salary;
- annual cash incentives through First Bank’s Employee Incentive Plan; and
- long-term incentives through First Bank’s Long-Term Incentive Plan.

#### *Base Salary*

In setting base annual salary levels for executive officers, the Compensation Committee evaluates the responsibilities of the position held, job complexity, knowledge and the required experience of the individual, and considers compensation practices for comparable positions within the banking industry and at First Bank’s peer companies. In addition, the performance of each individual executive officer is considered, as well as First Bank’s overall financial performance for the previous fiscal year and the contributions to such performance made by the executive officer and his or her department.

The table below outlines the 2022 and 2023 salaries for each of First Bank’s named executive officers:

<u>Executive</u>	<u>2022 Salary</u>	<u>2023 Salary</u>	<u>% Change from 2022 to 2023</u>
Patrick L. Ryan.....	\$ 560,000	\$ 610,000	8.9%
Peter J. Cahill .....	\$ 275,000	\$ 300,000	9.1%
Andrew L. Hibshman .....	\$ 260,000	\$ 290,000	11.5%
John F. Shepardson .....	\$ 250,000	\$ 280,000	12.0%

### Employee Incentive Plan

The Employee Incentive Plan was developed as a meaningful compensation tool to encourage and reward all employees, including executive officers, for the part that they play in the overall success of First Bank. The plan is designed to provide results-oriented variable compensation which is directly linked to overall Bank performance and to provide for recognition of varied individual contributions to team and corporate success. The plan is based upon overall company performance against pre-defined performance factors which may change from year to year. For 2023, the plan objectives and pre-defined performance levels were as follows:

Metric	Weighting	Performance Level			
		Threshold	Target	Maximum	Actual
Pre-Tax Income, Excluding M&A Expenses (\$000) *...	30%	\$ 37,470	\$ 46,837	\$ 56,204	\$ 35,804
Return on Average Assets, Excluding M&A Expenses * .....	25%	0.83%	1.04%	1.25%	0.87%
Non-Interest Expense, Excluding M&A Expenses / Avg. Assets .....	15%	2.55%	1.87%	1.81%	1.88%
Non-Interest Bearing Deposits / Total Deposits** .....	15%	15.68%	16.60%	23.51%	17.81%
Non-Performing Assets / Total Assets .....	15%	0.80%	0.37%	0.24%	0.22%

\* Actual amounts for pre-tax income and return on average assets were adjusted to reflect adding back losses on the sale of loans and investments and certain adjustments related to expenses and revenues that were impacted by the Malvern acquisition.

\*\* This metric is calculated based on a 50/50 weighting of actual December 31, 2023 year-end deposits and 2023 annual average deposits.

As shown above, despite the challenging environment, First Bank achieved solid core performance results in 2023 while also executing on its strategic acquisition of Malvern and its strategic priority of reshaping and optimizing its balance sheet through strategic asset sales. Based on the solid operating results in a challenging environment and the achievement of those two critical strategic initiatives, the Compensation Committee determined the cash incentive pool under the Employee Incentive Plan should be funded at 78% of target.

After approval of the plan pool funding based on corporate performance, the CEO, or the Compensation Committee in the case of the CEO's incentive, approves the allocation of cash incentive awards to each individual. In the case of the CEO, the Committee determined to award him a cash incentive equal to 78% of his target award, commensurate with corporate performance at 78% of target.

Cash incentives awarded to First Bank's NEOs under First Bank's Employee Incentive Plan for 2023 performance were as follows:

Executive	2023 Cash Incentive Award
Patrick L. Ryan.....	\$ 190,666
Peter J. Cahill .....	\$ 70,000
Andrew L. Hibshman .....	\$ 70,000
John F. Shepardson .....	\$ 60,000

### Long-term Incentive Plan

In March 2021, the Compensation Committee approved a Long-Term Incentive Plan that formalized the process for issuing long-term incentive compensation for First Bank. The Long-Term Incentive Plan determines which employees are eligible for long-term incentive compensation and outlines certain financial metrics that will be utilized to assist the Compensation Committee in determining the dollar amount of long-term incentive compensation that will be issued. The Long-Term Incentive Plan includes a discretionary portion that allows for flexibility when the Compensation Committee is determining long-term incentive amounts for executives and other eligible employees.



For long-term incentive awards issued in February 2023, the performance metrics under the Long-Term Incentive Plan, as reflected below, were both measured utilizing 2022 results, as well as the Committee’s discretionary evaluation of performance. The plan objectives and pre-defined 2022 performance levels were as follows:

Metric	Performance Level				
	Weight	Threshold	Target	Maximum	Actual
Pre-Tax, Pre-provision Income Excluding M&A Expenses (\$000).....	30%	\$ 37,946	\$ 47,433	\$ 59,920	\$ 51,212
Return on Average Assets, Excluding M&A Expenses .....	25%	1.02%	1.28%	1.48%	1.40%
Discretion .....	45%	50%	100%	150%	125%

Long-term incentive awards consist of options to acquire shares of First Bank common stock and restricted stock awards under First Bank’s equity compensation plan. Per SEC rules, the awards reported in the following table as well as the Summary Compensation Table later in this Proxy Statement reflect equity granted in February 2023 based on performance in 2022.

Executive	Stock Options Granted in 2023	Restricted Stock Granted in 2023	Total LTI Grant Date Fair Value
Patrick L. Ryan .....	18,178	13,727	\$ 272,990
Peter J. Cahill.....	5,943	4,488	\$ 89,252
Andrew L. Hibshman.....	5,943	4,488	\$ 89,252
John F. Shepardson .....	5,593	4,224	\$ 84,000

The stock options and shares of restricted stock granted in 2023 and prior years vest on each of the first three anniversaries of the grant date. Restricted shares granted to our NEOs in 2023 are also subject to a one-year post-vesting holding period, during which time shares may not be sold or otherwise transferred.

The Compensation Committee believes making these various long-term compensation vehicles available to executive officers, coupled with annual base salaries and annual cash incentives, further the objectives of the Compensation Committee of aligning the interests of executive officers with the long-term interests of shareholders.

#### *Other Compensation*

In addition, as part of the total compensation provided for First Bank’s NEOs, First Bank maintains a 401(k) plan and a group term life insurance plan. Under First Bank’s 401(k) plan First Bank matches 50% of employee contributions, not to exceed 6% of their salary. Under First Bank’s group term life insurance plan, employees receive life insurance coverage equal to one (1) times salary up to a maximum of \$250,000. First Bank also has an enhanced group term life insurance plan, in which participants receive an additional two times salary life insurance benefit. Each of the NEOs participate in this plan.

First Bank also maintains a Supplemental Executive Retirement Plan (the “SERP”) benefit for Mr. Ryan. The SERP provides additional retirement benefits to Mr. Ryan, who has contributed significantly to the success and growth of First Bank, and whose continued services are vital to its continued growth and success. For further details on Mr. Ryan’s Employment Agreement and SERP please see disclosures located elsewhere in this Proxy Statement.

#### **Clawback Policy**

The Compensation Committee has a general clawback policy in place to give First Bank the flexibility to recover certain previously paid incentive compensation under certain circumstances.

First Bank’s clawback policy sets forth a compensation recovery (“clawback”) policy with respect to certain incentive-based compensation that may be received by an executive officer, where such payment would be predicated upon achieving certain financial results that were subsequently the subject of a restatement of the Bank’s financial statements, and a lower payment would have been made to the executive officer based upon the restated financial results. In such case, the Compensation Committee has the authority to seek to recover from the executive officer the amount by which such executive officer’s incentive-based payments for the relevant period exceeded the lower payment that would have been made based on the restated financial results. The incentive-based compensation subject to clawback is the incentive-based compensation received during the three completed fiscal years immediately preceding an accounting restatement; provided

that the individual served as an executive officer at any time during the performance period applicable to the incentive-based compensation.

### **Role of Executives in First Bank Compensation Committee Deliberations**

The Compensation Committee works closely with the CEO to evaluate and establish executive compensation programs and pay levels, and the CEO attends Committee meetings to discuss compensation programs and their alignment with performance. In addition, certain of other executive officers attend Committee meetings to facilitate discussion in administrative roles.

For each executive other than himself, the CEO presents information regarding performance along with recommendations regarding pay levels and program design features for approval by the Committee. In establishing compensation for the CEO, the Committee meets in executive session without the presence of the CEO for the discussion and approval of his compensation.

No executive is present for the Committee's discussion of his or her compensation.

### **Compensation and Personnel Committee Report**

The Compensation Committee has reviewed and discussed the foregoing Compensation Discussion and Analysis (the "CD&A") with management and based on the review and discussions with management of the CD&A, the Compensation Committee recommended to the Board that the CD&A be included in this proxy statement and incorporated by reference in First Bank's Annual Report on Form 10-K for the year ended December 31, 2023.

Submitted by the Compensation and Personnel Committee:

Deborah Paige Hanson, Chairperson  
Douglas C. Borden  
Andrew Fish  
Scott R. Gamble  
Leslie E. Goodman  
Glenn M. Josephs  
Michael E. Salz

### **Compensation Committee Interlocks and Insider Participation**

The Compensation Committee is comprised entirely of independent directors and none of First Bank's executive officers served on the Compensation Committee or on the board of any company that employed any member of the Compensation Committee or the board of directors during the year ended December 31, 2023.

### **Board Leadership**

Historically, First Bank has had the separate positions of Chief Executive Officer and Chairman of the Board. The Board of Directors believes that this structure is currently the most appropriate for First Bank because it allows the Chief Executive Officer to focus on his main responsibility, the day-to-day management of First Bank, while allowing the Chairman to focus on overseeing the board of directors and making sure it is appropriately performing its duties. It also provides the board of directors with additional diversity of views on managing First Bank. Because the Chief Executive Officer and Chairman of the Board are related, the board of directors has appointed Leslie E. Goodman as Lead Independent Director. However, the board of directors will continue to review its governance structures as First Bank grows.

### **Risk Oversight**

Risk is an inherent part of the business of banking. Risks faced by First Bank includes, among other things, accounting and financial controls, credit risk, interest rate risk and cybersecurity. The Board of Directors oversees these risks through the adoption of policies and by delegating oversight to certain committees, including the Audit and Risk Management Committee. The Compensation and Personnel Committee is responsible for oversight of compensation-related risks. These committees exercise oversight by establishing a corporate environment that promotes timely and effective disclosure, fiscal accountability and compliance with all applicable laws and regulations.

## Code of Ethics

The Board of Directors has adopted a Code of Ethics governing the Chief Executive Officer and senior financial officers, as required by the Sarbanes Oxley Act and FDIC regulations, and the board of directors and all other officers and employees. This Code of Ethics governs matters such as conflicts of interest, use of corporate opportunity, confidentiality and compliance with laws. First Bank's Code of Ethics is available on its website, <https://firba.q4ir.com/corporate-profile/default.aspx>. Any amendments to First Bank's Code of Ethics, or waivers of its requirements, will be disclosed on First Bank's website.

## Shareholder Communications

First Bank shareholders and other interested persons may communicate with members of the board of directors by writing to:

Leslie E. Goodman, Vice Chairman and Lead Independent Director  
 First Bank  
 2465 Kuser Road  
 Hamilton, New Jersey 08690

## Summary Compensation Table

The following table sets forth the compensation paid to First Bank's Chief Executive Officer and its three (3) other most highly compensated executive officers for the fiscal years ended December 31, 2023 and December 31, 2022.

<u>Name and Principal Position</u>	<u>Year</u>	<u>Salary (\$)</u>	<u>Option Awards <sup>(1)</sup> (\$)</u>	<u>Stock Awards <sup>(1)</sup> (\$)</u>	<u>Non-Equity Incentive Plan Compensation (\$)</u>	<u>All Other Compensation (\$)</u>	<u>Total (\$)</u>
Patrick L. Ryan ..... President and Chief Executive Officer	2023	610,000	93,990	179,000	190,666	63,669 <sup>(2)</sup>	
	2022	560,000	86,288	172,831	251,479	60,208	1,130,806
Peter J. Cahill ..... Executive Vice President and Chief Lending Officer	2023	300,000	30,728	58,524	70,000	11,935 <sup>(3)</sup>	
	2022	275,000	29,971	60,028	90,000	12,451	467,450
Andrew L. Hibshman ..... Executive Vice President and Chief Financial Officer	2023	290,000	30,728	58,524	70,000	5,097	454,349
	2022	260,000	28,307	56,693	90,000	7,531	442,531
John F. Shepardson ..... Executive Vice President and Chief Operating Officer	2023	280,000	28,919	55,081	60,000	9,811	433,811
	2022	250,000	28,307	56,693	85,000	9,590	429,590

- (1) Amounts reflect the grant date fair value of the awards computed in accordance with ASC Topic 718. See Note 13 to First Bank's audited consolidated financial statements for the fiscal years ended December 31, 2023 and 2022 filed with First Bank's Form 10-K for assumptions made in the valuation. Option awards and stock awards are subject to a 3-year vesting schedule with one-third vesting every 12 months.
- (2) For 2023, represents \$50,778 in SERP allocation, \$8,700 in 401(k) matching contributions, \$3,311 in dividends on unvested restricted stock awards and \$880 in split dollar life insurance benefits in 2023.
- (3) For 2023, represents \$8,700 in 401 (k) matching contributions, \$1,105 in dividends on unvested restricted stock awards and \$2,129 in split dollar life insurance benefits in 2023.

## Employment Agreements

On June 4, 2021, Patrick L. Ryan, Peter J. Cahill and John F. Shepardson (collectively, the “Executives”) signed employment agreements (collectively, the “Agreements”) which were previously approved by First Bank’s Board of Directors. The Agreements continue Mr. Ryan’s role as First Bank’s President and Chief Executive Officer, Mr. Cahill’s role as First Bank’s Executive Vice President and Chief Lending Officer, and Mr. Shepardson’s role as First Bank’s Executive Vice President and Chief Operating Officer. The Agreements supersede any and all previous employment agreements. Capitalized terms not defined in this Proxy Statement shall have the meaning set forth in the Agreements.

The current base annual salaries under the Agreements are \$700,000, \$350,000 and \$310,000, respectively, for Mr. Ryan, Mr. Cahill and Mr. Shepardson. The Executives will continue to be eligible for insurance coverages and benefits available to First Bank’s senior management pursuant to the terms of such plans. The initial term of the Agreements will be three years from June 4, 2021 (the “Effective Date”). Commencing on the first anniversary of the Effective Date and continuing on each subsequent anniversary of the Effective Date (each anniversary referred to as a “Renewal Date”), the term will extend automatically for one additional year, so that the term will be three (3) years from the applicable Renewal Date, unless either First Bank or the Executive, by written notice to the other prior to the Renewal Date, notifies the other of its intent not to extend the term.

Mr. Ryan’s employment agreement provides that upon a termination of employment without cause or for good reason, within thirty (30) days following the termination of employment, the executive shall be entitled to receive a lump sum severance payment equal to 2.99 times the executive’s current annual base salary and the average of the annual cash bonus earned by the executive during the three calendar years prior to the termination of employment (or, if a termination of employment occurs in connection with a change in control, the annual cash bonus at target in the year of a change in control, if greater), and the amount of any bonus payment (without any multiplier) finally approved in accordance with First Bank’s then applicable policies and remaining unpaid on the date of such termination. In addition, all outstanding stock options, shares of restricted stock, and other equity awards held by Mr. Ryan shall fully vest, become free of any restrictions, and be immediately exercisable in accordance with their terms. To the extent permissible, First Bank also shall continue to provide to Mr. Ryan, at the same level of cost to Mr. Ryan as prior to such termination, the non-taxable hospital, health, disability and medical benefits which may be available from time to time to officers of First Bank, in accordance with the terms thereof, for thirty-six (36) months. If First Bank cannot provide the continued welfare benefits described in the preceding sentence, First Bank shall pay the executive a lump sum payment equal to First Bank’s portion of the premiums for such benefits for any months for which such benefits cannot be provided.

Upon the termination of Messrs. Cahill or Shepardson’s employment by First Bank (or any successor) without cause or with good reason within two years at or after a change in control, the Agreements provide that First Bank (or any successor) will pay or provide the executives, or the executive’s estate in the event of the executive’s subsequent death, with the following change in control severance:

(i) any accrued obligations;

(ii) a gross cash payment equal to the sum of the following amounts: (A) two times base salary at the date of termination (or the executive’s base salary in effect during any of the prior three years, if higher); and (B) two times the annual cash bonus (at target) in the year of a change in control or, if greater, two times the average of the annual cash bonus earned by the executive during the three years prior to a change in control; payable in a lump sum within thirty (30) days of the executive’s date of termination; and

(iii) continued non-taxable medical and dental coverage for twenty-four (24) months substantially comparable to (and on substantially the same terms and conditions) to the coverage maintained by First Bank for the executive and their dependents immediately prior to their date of termination. Notwithstanding the foregoing, if applicable law (including, but not limited to, laws prohibiting discriminating in favor of highly compensated employees), or, if participation by the executive is not permitted under the terms of the applicable health plans, or if providing such benefits would subject First Bank to penalties, then First Bank shall pay the executive a cash lump sum payment reasonably estimated to be equal to the value of such non-taxable medical and dental benefits, with such payment to be made by lump sum within ten business days of the date of termination, or if later, the date on which First Bank determines that such insurance coverage (or the remainder of such insurance coverage) cannot be provided for the foregoing reasons.

In addition, the board of directors may immediately terminate Messrs. Cahill or Shepardson's employment at any time without cause, and Messrs. Cahill or Shepardson may, by written notice to the board of directors, terminate their employment at any time with good reason and First Bank will pay or provide the executive the following non-change in control severance:

- (i) any accrued obligations;
- (ii) a gross cash payment equal to one and one-half (1.5) times base salary, payable in a lump sum within sixty (60) days of the executive's date of termination; and
- (iii) continued non-taxable medical and dental coverage for eighteen (18) months substantially comparable to (and on substantially the same terms and conditions) to the coverage maintained by First Bank for the Executive and his dependents immediately prior to his date of termination. Notwithstanding the foregoing, if applicable law (including, but not limited to, laws prohibiting discriminating in favor of highly compensated employees), or, if participation by the executive is not permitted under the terms of the applicable health plans, or if providing such benefits would subject First Bank to penalties, then First Bank shall pay the executive a cash lump sum payment reasonably estimated to be equal to the value of such non-taxable medical and dental benefits, with such payment to be made by lump sum within ten business days of the date of termination, or if later, the date on which First Bank determines that such insurance coverage (or the remainder of such insurance coverage) cannot be provided for the foregoing reasons.

The Agreements also provide benefits upon death and disability.

On May 18, 2021, First Bank's Board of Directors approved an employment agreement with Andrew L. Hibshman (the "Hibshman Agreement"). The Hibshman Agreement maintained Mr. Hibshman's role as First Bank's Chief Accounting Officer through June 30, 2021 and then Mr. Hibshman transitioned into First Bank's Executive Vice President and Chief Financial Officer on July 1, 2021.

The current annual base salary under the Hibshman Agreement is \$340,000. The other terms of Mr. Hibshman's agreement are consistent with Messrs. Cahill and Shepardson's agreements.

#### *Supplemental Executive Retirement Plan*

First Bank maintains a SERP for Patrick L. Ryan, First Bank's President and Chief Executive Officer. Under the terms of the SERP, upon attaining age 65, Mr. Ryan will be entitled to an annual benefit in the amount of his "final average compensation," as described below, payable in monthly installments over a period of 10 years, commencing the month following the attainment of age 65. In the event of a termination of employment prior to age 65 (including due to disability) if not following a change in control or for cause (each as defined in the SERP), Mr. Ryan will be entitled to the vested percentage of his "final average compensation," payable in monthly installments over a period of 10 years, commencing the month following the attainment of age 65. Mr. Ryan will vest in 4.348% of the "final average compensation" annually and will be 100% vested upon attainment of age 65. "Final average compensation" is defined as 25% of the average annual base salary paid to Mr. Ryan in the three calendar years immediately prior to the year in which (i) he attains age 65 or (ii) a termination of employment (as defined in the SERP), which does not include termination following a change in control or for cause, occurs. If Mr. Ryan's employment terminates involuntarily or for good reason (as defined in the SERP) within 24 months following a change in control, Mr. Ryan will be entitled to the greater of (i) \$1,991,124 or (ii) the present value of the normal retirement benefit (i.e., the present value of the 10 annual payments he would otherwise be entitled to at age 65), payable in two equal installments, with the first installment paid on the first anniversary of the date of the change in control and the second installment paid on the second anniversary of the date of the change in control. In the event Mr. Ryan dies while in active service to First Bank and before receipt of any payments under the SERP, First Bank will pay his beneficiary a lump sum cash payment in the amount of \$1,991,124 within 60 days following death. In the event Mr. Ryan is terminated by First Bank for cause, he will not receive any benefits under the SERP.

## Outstanding Equity Awards at Fiscal Year-End

The following table provides information regarding equity awards held by the named executive officers at December 31, 2023.

Name	Option Awards <sup>(1)</sup>				Stock Awards	
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units That Have Not Vested (#)	Market Value of Shares or Units That Have Not Vested (\$)
Patrick L. Ryan .....	15,000	-	6.00	2/25/2025	1,803 <sup>(2)</sup>	
	68,441	-	6.50	3/1/2026	9,292 <sup>(3)</sup>	
	10,715	-	14.25	2/21/2027	13,727 <sup>(4)</sup>	
	13,043	-	14.00	2/20/2028		
	11,943	-	11.57	2/19/2029		
	20,384	-	10.70	2/18/2030		
	24,490	12,245	11.09	2/16/2031		
	6,689	13,378	14.50	2/22/2032		
-	18,178	13.73	2/21/2033			
Peter J. Cahill .....	6,500	-	6.00	2/25/2025	1,202 <sup>(2)</sup>	
	11,000	-	6.50	3/1/2026	3,228 <sup>(3)</sup>	
	5,084	-	14.25	2/21/2027	4,488 <sup>(4)</sup>	
	5,736	-	14.00	2/20/2028		
	3,981	-	11.57	2/19/2029		
	4,000	-	10.70	2/18/2030		
	2,722	1,360	11.09	2/16/2031		
	2,323	4,647	14.50	2/22/2032		
-	5,943	13.73	2/21/2033			
Andrew L. Hibshman .....	5,000	-	6.95	5/17/2026	841 <sup>(2)</sup>	
	1,362	-	14.25	2/21/2027	3,048 <sup>(3)</sup>	
	3,019	-	14.00	2/20/2028	4,488 <sup>(4)</sup>	
	1,990	-	11.57	2/19/2029		
	3,000	-	10.70	2/18/2030		
	1,905	952	11.09	2/16/2031		
	2,194	4,389	14.50	2/22/2032		
	-	5,943	13.73	2/21/2033		
John F. Shepardson .....	12,500	-	13.95	2/26/2028	814 <sup>(2)</sup>	
	1,194	-	11.57	2/19/2029	3,048 <sup>(3)</sup>	
	2,500	-	10.70	2/18/2030	4,224 <sup>(4)</sup>	
	1,905	952	11.09	2/16/2031		
	2,194	4,389	14.50	2/22/2032		
	-	5,593	13.73	2/21/2033		

(1) Option awards are subject to a three-year vesting schedule with 1/3 vesting every 12 months.

(2) These stock awards were granted on February 16, 2021, and the remaining one-third increment vested on February 16, 2023. First Bank granted these awards under the First Bank 2017 Equity Compensation Plan.

(3) These stock awards were granted on February 22, 2022, and vest ratably in annual one-third increments over the three-year period ending February 22, 2025. First Bank granted these awards under the First Bank 2021 Equity Incentive Plan.

(4) These stock awards were granted on February 21, 2023, and vest ratably in annual one-third increments over the three-year period ending February 22, 2026. First Bank granted these awards under the First Bank 2021 Equity Incentive Plan.

## 2023 CEO Pay Ratio Disclosure

For 2023, the ratio of total compensation of First Bank’s median employee to the CEO’s total compensation was 1 to 15.96. To calculate this ratio, First Bank initially identified its median employee as of December 31, 2023 based on all employees’ 2023 taxable income. This calculation was performed for all employees, excluding the Bank’s CEO, whether employed on a full-time, part-time or seasonal basis. Our employee population does not include approximately 39 employees of Malvern Bancorp, Inc., which we acquired in 2023. The median employee’s total compensation for 2023 was determined in accordance with SEC rules to be \$71,273, as compared to total compensation of \$1,137,325 for First Bank’s CEO.

The pay ratio reported above is a reasonable estimate calculated in a manner that is based on First Bank’s internal records and the methodology described above. Because the rules for identifying the median compensated employee and calculating the pay ratio based on that employee’s annual total compensation allow companies to adopt a variety of methodologies, to apply certain exclusions, and to make reasonable estimates and assumptions that reflect their employee populations and compensation practices, the pay ratio reported by other companies may not be comparable to the pay ratio reported above, as other companies have different employee populations and compensation practices and may utilize different methodologies, exclusions, estimates and assumptions in calculating their own pay ratios. In addition, First Bank expects its annually reported pay ratio may vary significantly year over year, given the size of First Bank and the potential variability in Bank employee compensation.

## Pay Versus Performance

As required by Section 953(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 402(v) of Regulation S-K, First Bank is providing the following information about the relationship between executive compensation actually paid and certain financial performance of First Bank’s.

Year	Summary Compensation Table Total for CEO <sup>(1)</sup>	Compensation Actually Paid to CEO <sup>(2)</sup>	Average Summary Compensation Table Total for Non-CEO NEOs <sup>(3)</sup>	Average Compensation Actually Paid to Non-CEO NEOs <sup>(4)</sup>	Value of Initial Fixed \$100 Investment Total Shareholder Return <sup>(5)</sup>	Net Income <sup>(6)</sup>
(a)	(b)	(c)	(d)	(e)	(f)	(g)
2023.....	\$ 1,137,325	\$ 1,154,142	\$ 453,116	\$ 459,705	\$ 164.49	\$ 20,897,000
2022.....	1,130,806	1,116,425	446,524	446,863	\$ 150.80	36,287,000
2021.....	1,032,498	1,293,075	395,320	441,714	\$ 156.45	35,429,000

- (1) The dollar amounts reported in column (b) are the amounts of total compensation reported for CEO Ryan for each corresponding year in the “Total” column of the Summary Compensation Table. Refer to “Executive Compensation—Summary Compensation Table.”
- (2) The dollar amounts reported in column (c) represent the amount of “compensation actually paid” to Mr. Ryan, as computed in accordance with Item 402(v) of SEC Regulation S-K. The dollar amounts do not reflect the actual amount of compensation earned by or paid to Mr. Ryan during the applicable year. In accordance with the requirements of Item 402(v) of SEC Regulation S-K, the following adjustments were made to Mr. Ryan’s total compensation for each year to determine the compensation actually paid:

Year	Reported Summary Compensation Table Total for CEO	Reported Value of Equity Awards <sup>(#)</sup>	Equity Award Adjustments <sup>(*)</sup>	Compensation Actually Paid to CEO
2023.....	\$ 1,137,325	\$ (272,990)	\$ 289,807	\$ 1,154,142
2022.....	1,130,806	(259,119)	244,738	1,116,425

- (#) The grant date fair value of equity awards represents the total of the amounts reported in the “Option Awards” and “Stock Awards” columns in the Summary Compensation Table for the applicable year.
- (\*) The equity award adjustments for each applicable year include the addition (or subtraction, as applicable) of the following: (i) the year-end fair value of any equity awards granted in the applicable year that are outstanding and unvested as of the end of the year; (ii) the amount of change as of the end of the applicable year (from the end of the prior fiscal year) in fair value of any awards granted in prior years that are outstanding and unvested as of the end of the applicable year; (iii) for awards granted in prior years that vest in the applicable year, the amount equal to the change as of the vesting date (from the end of the prior fiscal year) in fair value.

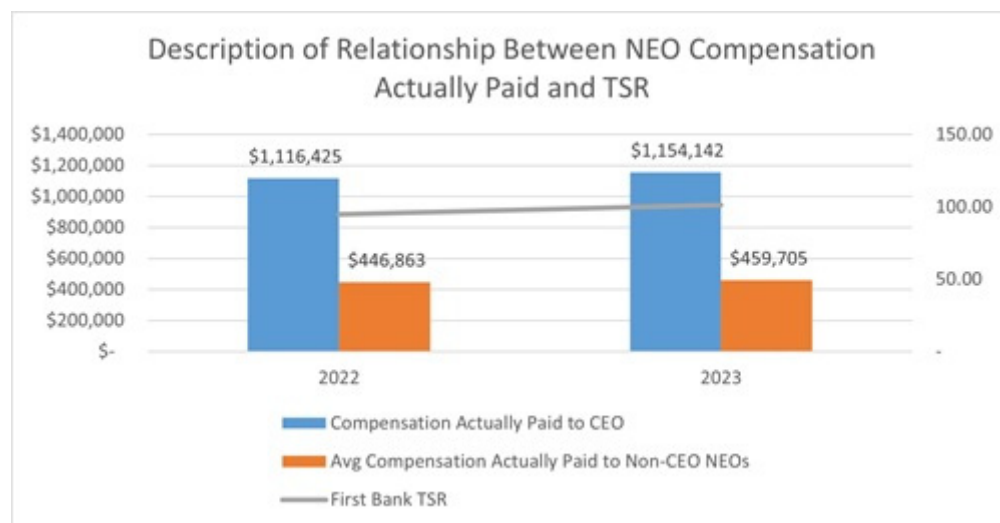
- (3) The dollar amounts reported in column (d) represent the average of the amounts reported for First Bank’s named executive officers as a group (excluding Mr. Ryan) in the “Total” column of the Summary Compensation Table in each applicable year.
- (4) The dollar amounts reported in column (e) represent the average amount of “compensation actually paid” to the named executive officers as a group (excluding Mr. Ryan), as computed in accordance with Item 402(v) of Regulation S-K. The dollar amounts do not reflect the actual average amount of compensation earned by or paid to the named executive officers as a group (excluding Mr. Ryan) during the applicable year. In accordance with the requirements of Item 402(v) of Regulation S-K, the following adjustments were made to average total compensation for the named executive officers as a group (excluding Mr. Ryan) for each year to determine the compensation actually paid, using the same methodology described above in Note (2):

Year	Average Reported Summary Compensation Table		Average Reported Value of Equity Awards	Equity Award Adjustments	Average Compensation Actually Paid to Non-CEO NEOs
	Total for Non-CEO NEOs				
2023.....	\$ 453,116	\$ (87,501)	\$ 94,090	\$ 459,705	
2022.....	446,524	(86,666)	87,005	446,863	

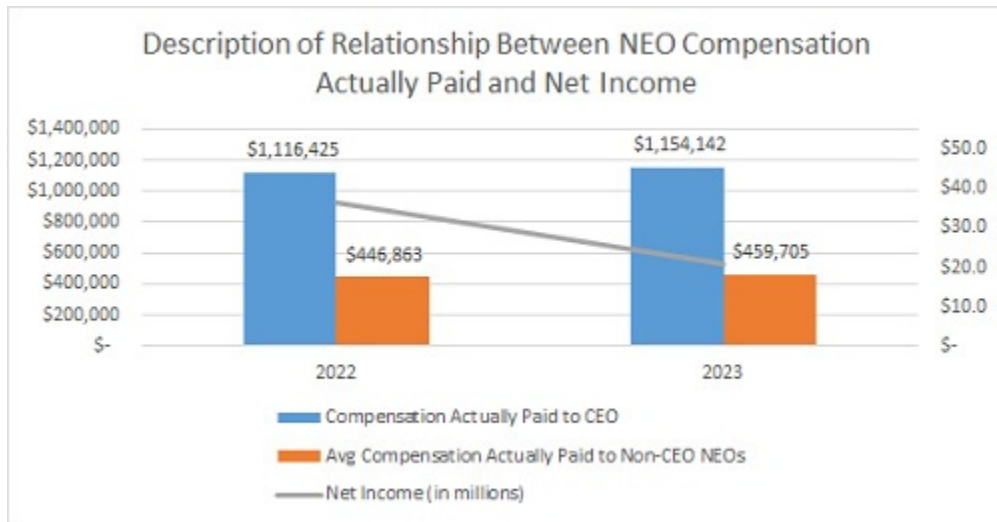
- (5) The Total Shareholder Return (“TSR”) calculation assumes \$100 was invested in the Company for the period starting December 31, 2020, through the end of the listed year.
- (6) The dollar amounts reported for net income reflect the amounts reported in First Bank’s consolidated audited financial statements for the applicable year.

*Analysis of the Information Presented in the Pay Versus Performance Table*

The following graphs describe the relationship between CEO and other NEOs actual compensation to TSR and Net Income.







**Related Party Transactions**

First Bank has had, and expects to have in the future, banking transactions in the ordinary course of business with directors, executive officers, principal shareholders and their associates, on substantially the same terms, including interest rates and collateral on loans, as those prevailing at the same time for comparable transactions with other customers of First Bank. Those transactions do not involve more than the normal risk of collectability or present other unfavorable features.

Pursuant to First Bank’s policy, all related party transactions must be approved or ratified by the board of directors. Discussion and subsequent approval by the board of directors, if appropriate, for related party transactions takes place with the specific director not involved in that portion of the board meeting.

The following is a description of transactions to which First Bank has been a party or will be a party, in which the amount involved exceeded or will exceed \$120,000, and in which any of First Bank’s executive officers, directors or holders of more than 5% of any class of First Bank’s voting securities, or an affiliate or immediate family member thereof, had or will have a direct or indirect material interest, other than compensation, termination and change of control arrangements, which are described under “Executive Compensation.” First Bank believes the terms obtained or consideration that was paid or received, as applicable, in connection with the transactions described below were comparable to terms available or the amounts that First Bank would pay or receive, as applicable, in arm’s length transactions with unrelated third parties.

- 1) First Bank has a lease agreement for its corporate office space and main office branch with North Buffalo Advisors II, LLC. North Buffalo Advisors II, LLC is a privately held company which includes North Buffalo Advisors LLC, an entity which is owned and managed by Chairman of the Board Patrick M. Ryan. Chairman Ryan has a significant interest in North Buffalo Advisors II, LLC. On February 24, 2022 an amendment to the lease was signed which, effective June 1, 2022, increased First Bank’s rentable space in the building and extended the lease term to May 2028. A second amendment was made to the existing lease to increase the rental space which was effective September 7, 2023. The second amendment also included additional options to extend the term of the lease. The aggregate amount of minimum lease payments under the amended lease term due to the lessor on or after September 7, 2024 are \$2.7 million. Mr. Ryan’s interest in such amount is approximately \$606,000.
- 2) First Bank has a lease agreement for administrative office space with Danch Farm II, LLC. Danch Farm II, LLC is a privately held company for which Chairman of the Board Patrick M. Ryan is a 15% owner. The lease has an initial term of five years and four months with options to extend. The aggregate amount of minimum lease payments due to the lessor on or after December 1, 2023 are \$1.4 million. Mr. Ryan’s interest in such amount is approximately \$208,000.

## PROPOSAL 2

### APPROVAL OF FIRST BANK 2024 EQUITY INCENTIVE PLAN

The Board of Directors has adopted, subject to shareholder approval, the First Bank 2024 Equity Incentive Plan (the “2024 Equity Incentive Plan”) to provide the Bank with sufficient equity compensation to meet the objectives of appropriately incentivizing our officers, other employees and directors in order to execute on our strategic plan to build shareholder value, while providing appropriate shareholder protections. Upon shareholder approval of the 2024 Equity Incentive Plan, the Bank will no longer make grants under the First Bank 2021 Equity Compensation Plan (the “2021 Plan”), and outstanding awards granted under the 2021 Plan will remain outstanding and subject to the terms and conditions of the 2021 Equity Plan.

The Bank believes that equity awards constitute an important component in a balanced, comprehensive compensation program. Many of the companies with which we compete with for officers, employees and directors offer equity compensation as part of their overall compensation programs. By approving the 2024 Equity Incentive Plan, our shareholders will provide us the flexibility we need to continue to attract, motivate and retain highly-qualified officers, employees and directors by offering a competitive compensation program with a component linked to the performance of our common stock and, therefore, aligned with the interests of our shareholders.

The Board of Directors, through its Compensation Committee, in consultation with its independent consultant, has evaluated current practices of financial institutions in our marketplace related to equity plan design and equity grant practices. The Bank has also evaluated its strategic plan and believes the 2024 Equity Incentive Plan is appropriately designed to allow the Bank to meet its objectives.

The following summarizes the key features of the 2024 Equity Incentive Plan, which is qualified in its entirety by reference to the provisions of the 2024 Equity Incentive Plan, attached hereto as Appendix A. Unless indicated otherwise, capitalized terms are defined in the 2024 Equity Incentive Plan.

Key Attribute	Feature	Discussion
Equity Award Types	Stock Options, Restricted Stock and Restricted Stock Units.	The Plan provides the Bank with equity award types customarily used in our marketplace to provide flexibility in meeting its compensation objectives.
Award Vesting Criteria	The vesting of Awards may be subject to time-based vesting over a period of continuous service (i.e., service-based) or the achievement of performance measures as determined by the Compensation Committee of the Board of Directors (the “Committee”).	Based on past Bank practices, the Committee expects equity award grants under the Plan will be subject to time-based vesting. The Committee intends to continue to use a third-party independent compensation consultant in determining the vesting criteria of equity award grants.

Key Attribute	Feature	Discussion
Vesting Period	The Committee will determine the vesting schedule or performance criteria for each Award. Unless otherwise specified by the Committee, Awards to executives and employees will vest at the rate of 33% per year and awards to non-employee directors will be subject to one-year cliff vesting. At least 95% of the Awards under the Plan will vest no earlier than one year after the grant date.	While the Committee may set the vesting schedule or conditions, the Committee views equity awards as a longer-term compensation element.
Prohibition Against Stock Option Repricing	Neither the Committee nor the Board shall have the right or authority to make any adjustment or amendment that reduces or would have the effect of reducing the exercise price of a Stock Option previously granted under the Plan, except in the event of certain corporate transactions set forth in the Plan (including stock splits and stock dividends) or adjustments approved by the Bank's shareholders.	The Committee believes that repricing Stock Options is contrary to the objectives of Stock Options and would not be in alignment with the interest of shareholders.
Acceleration of Vesting - Termination of Service due to Death and Disability	Unless otherwise specified by the Committee, Awards vest upon a participant's termination of service due to death or Disability and Stock Options remain exercisable for one year.	The Committee believes that recognizing participant contributions and vesting Awards upon death and Disability is appropriately aligned with the interests of shareholders.
Acceleration of Vesting - Termination of Service for Cause or resignation for any reason (except death, Disability or following a Change in Control)	<p>Unless otherwise specified by the Committee, no Awards will vest upon a participant's termination for cause or a voluntary resignation for any reason (except death or disability).</p> <p>Generally, all vested Stock Options remain exercisable for three months from the date of termination of service due to a resignation for any reason (except death or disability, in which case they will remain exercisable for one year).</p> <p>Upon a termination for cause, all unexercised Stock Options will be forfeited.</p>	The Committee believes that acceleration of vesting following a termination of service for reasons other than death, disability, or in certain instances following a Change in Control is not appropriately aligned with the objectives of the Plan or the interests of shareholders.
Acceleration of Vesting - Committee Discretion	Vesting of Awards may be accelerated by the Committee, at its discretion, except that the Committee may not accelerate the vesting of any Award within the first year following the date of grant.	The Committee determined that discretion to accelerate awards is important to allow the Bank to respond to employment-related matters or other unforeseen circumstances that could warrant consideration of acceleration.

Key Attribute	Feature	Discussion
Acceleration of Vesting - Termination of Service without Cause or Resignation for Good Reason following a Change in Control (i.e., an Involuntary Termination of Service)	<p>Unless otherwise specified by the Committee:</p> <p>All unvested service-based Awards will vest upon an Involuntary Termination of Service following a Change in Control. Stock Options will remain exercisable for one year following an Involuntary Termination of Service following a Change in Control.</p> <p>A pro-rated portion of Performance Awards will vest upon an Involuntary Termination of Service following a Change in Control at the higher of the actual performance level or at the target performance level.</p>	<p>The Committee determined that a “double trigger” vesting acceleration in connection with a Change in Control is appropriate in providing the Bank with a meaningful retention tool as an independent Bank, and any future acquirer with the ability to appropriately manage human resources during any merger integration.</p>
Share Limitations, Freezing of equity grants under the First Bank 2021 Equity Compensation Plan	<p>The maximum number of shares of stock that may be delivered to participants under the Plan is 1.3 million shares.</p> <p>As of March 8, 2024 (the latest practicable date before the printing of this Proxy Statement) the closing price of the Bank’s common stock, as reported on the NASDAQ stock market, was \$13.24.</p> <p>If shareholders approve the Plan, the Bank will not make any more grants under the 2021 Plan; the 2021 Plan will be frozen and equity awards that would otherwise be available for grant under that Plan will not be granted. The Committee will continue to administer outstanding grants under the 2021 Plan.</p>	<p>The Committee evaluated a number of factors in determining the appropriate plan size, including past grant practices, the grant practices of peer community banks, the shareholder value transfer to participants, and publications of proxy advisors.</p>
Limitation of Grants to Directors	<p>The maximum number of Awards, in the aggregate, of Stock Options, Restricted Stock and Restricted Stock Units that may be granted to any one non-Employee Director pursuant to this Plan and all other equity incentive plans maintained by the Bank for any calendar year shall not have a fair value as of the date of grant exceeding \$500,000.</p>	<p>The Committee expects that it will continue to use the services of an independent compensation consultant to assist it in making equity award grants, but believes it is important to provide calendar year plan limitations of grant date fair value to directors.</p>
Recycling of Equity Awards	<p>Only forfeited and expired Awards are available for reissuance under the Plan.</p>	<p>The Committee believes that conservative recycling of equity awards is an important provision in the Plan and properly aligns with the interests of shareholders.</p>
Automatic Exercise of Stock Options	<p>At the Committee’s discretion, Stock Options that are exercisable but unexercised as of the day immediately before their expiration date may be automatically exercised on behalf of a participant, in accordance with procedures established by the Committee.</p>	<p>The Committee believes that providing for an automatic exercise is in the best interest of the Bank and participants and provides for an efficient mechanism to exercise Stock Options.</p>
Clawback of Equity Awards	<p>The Plan provides for a number of forfeiture events including any clawback policy of the Bank.</p>	<p>The Committee believes it is necessary to maintain strong clawback provisions for equity awards.</p>

Key Attribute	Feature	Discussion
Holding Period Required	Participants (other than a Director or a Participant who is not subject to Section 16 of the Exchange Act) must agree to hold a vested Award or Stock received upon exercise of a Stock Option until the later of (i) 12 months or (ii) the date the individual meets the minimum ownership requirements (if any) applicable to that individual, except in the event of death, Disability, Involuntary Termination following a Change in Control, or, in general, if shares of Stock are withheld to satisfy tax withholding.	The Committee believes that a required holding period is appropriately aligned with the interests of shareholders.

### Overhang Information

The following table sets forth certain overhang information as of March 8, 2024, with respect to the Company's equity compensation plans:

Stock Options Outstanding.....	751,358
Weighted-Average Exercise Price of Outstanding Stock Options/SARS.....	\$ 10.73
Weighted-Average Remaining Term of Outstanding Stock Options/SARs .....	5.08
Total Restricted Stock Awards Outstanding .....	280,431
Shares available for future awards under the 2021 Plan <sup>(1)</sup> .....	61,228
New shares requested under the 2024 Plan .....	1,300,000
Common shares outstanding as of the record date (March 8, 2024) .....	25,100,108

(1) The remaining unissued 2021 Plan shares will be frozen if shareholders approve the 2024 Plan.

### Equity Compensation Plan Information

As of December 31, 2023, the Bank had the following equity awards outstanding:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights <sup>(a)</sup>	Weighted average exercise price of outstanding options, warrants and rights <sup>(b)</sup>	Number of securities remaining available for future issuance under equity compensation plans excluding securities reflected in column <sup>(a)</sup> <sup>(c)</sup>
Equity compensation plans approved by security holders.....	722,017	\$ 10.61	222,646
Equity compensation plans not approved by security holders.....	-	-	-
Total .....	<u>722,017</u>	<u>\$ 10.61</u>	<u>222,646</u>

(a) Represents stock options and restricted stock granted under approved equity compensation plans.

(b) The weighted average exercise price includes the weighted average exercise price of stock options only. Restricted stock and performance shares do not have an exercise price.

(c) Represents the shares remaining under the 2021 Plan.

### Federal Income Tax Considerations

The following is a summary of the federal income tax consequences that may arise in conjunction with participation in the 2024 Equity Incentive Plan.

*Non-Qualified Stock Options.* The grant of a non-qualified stock option will not result in taxable income to the participant. Except as described below, the participant will realize ordinary income at the time of exercise in an amount equal to the excess of the fair market value of the shares acquired over the exercise price for those shares, and the Bank will be entitled to a corresponding deduction for tax purposes. Gains or losses realized by the participant upon disposition of such shares will be treated as capital gains and losses, with the basis in such shares equal to the fair market value of the shares at the time of exercise.

*Incentive Stock Options.* The grant of an incentive stock option will not result in taxable income to the participant. The exercise of an incentive stock option will not result in taxable income to the participant provided the participant was, without a break in service, an employee of First Bank or a subsidiary during the period beginning on the date of the grant of the option and ending on the date three months prior to the date of exercise (one year prior to the date of exercise if the participant is disabled, as that term is defined in the Internal Revenue Code). The Bank will not be entitled to a tax deduction upon the exercise of an incentive stock option.

The excess of the fair market value of the shares at the time of the exercise of an incentive stock option over the exercise price is an adjustment that is included in the calculation of the participant's alternative minimum taxable income for the tax year in which the incentive stock option is exercised. For purposes of determining the participant's alternative minimum tax liability for the year of disposition of the shares acquired pursuant to the incentive stock option exercise, the participant will have a basis in those shares equal to the fair market value of the shares at the time of exercise.

If the participant does not sell or otherwise dispose of the shares within two years from the date of the grant of the incentive stock option or within one year after the exercise of such stock option, then, upon disposition of such shares, any amount realized in excess of the exercise price will be taxed as a capital gain. A capital loss will be recognized to the extent that the amount realized is less than the exercise price.

If the foregoing holding period requirements are not met, the participant will generally recognize ordinary income at the time of the disposition of the shares in an amount equal to the lesser of (i) the excess of the fair market value of the shares on the date of exercise over the exercise price, or (ii) the excess, if any, of the amount realized upon disposition of the shares over the exercise price, and we will be entitled to a corresponding deduction. If the amount realized exceeds the value of the shares on the date of exercise, any additional amount will be a capital gain. If the amount realized at the time of disposition is less than the exercise price, the participant will recognize no income, and a capital loss will be recognized equal to the excess of the exercise price over the amount realized upon the disposition of the shares.

*Restricted Stock Award.* A participant who has been granted a restricted stock award will not realize taxable income at the time of grant, provided that the stock subject to the award is not delivered at the time of grant, or if the stock is delivered, it is subject to restrictions that constitute a "substantial risk of forfeiture" for federal income tax purposes. Upon the later of delivery or vesting of shares subject to an award, the holder will realize ordinary income in an amount equal to the then fair market value of those shares and the Bank will be entitled to a corresponding deduction for tax purposes. Gains or losses realized by the participant upon disposition of such shares will be treated as capital gains and losses, with the basis in such shares equal to the fair market value of the shares at the time of delivery or vesting. Dividends paid to the holder during the restriction period, if so provided, will also be compensation income to the participant and we will be entitled to a corresponding deduction for tax purposes. A participant who makes an election under Section 83(b) of the Internal Revenue Code will include the full fair market value of the restricted stock award subject to such election in taxable income in the year of grant at the grant date fair market value.

*Restricted Stock Units.* A participant who has been granted a restricted stock unit will not realize taxable income at the time of grant and will not be entitled to make an election under Section 83(b) of the Internal Revenue Code since no stock is actually transferred to the recipient on the date of grant. At the time a restricted stock unit vests, assuming the award is distributed at that time, the recipient will recognize ordinary income in an amount equal to the fair market value of the common stock or the amount of cash received. If the restricted stock unit is not distributed at the time it vests, no income will be recognized at that time and taxation will be deferred until the value of the restricted stock unit is distributed. At the time the recipient recognizes taxable income on a restricted stock unit, we will be entitled to a corresponding tax deduction in the same amount recognized by the award recipient.

*Dividend Equivalent Rights.* The grant of a dividend equivalent right will not result in taxable income to the participant. At the time of payment of a cash dividend with respect to shares of Bank stock underlying a dividend equivalent right, or with respect to a stand-alone dividend equivalent right, the cash received will be taxable to the participant as ordinary income and the Bank will be entitled to a corresponding tax deduction.

*Withholding of Taxes.* We may withhold amounts from participants to satisfy withholding tax requirements. Except as otherwise provided by the Committee, participants may have shares withheld from awards to satisfy the minimum tax withholding requirements.

*Change in Control.* Any acceleration of the vesting or payment of awards under the 2024 Equity Incentive Plan in the event of a change in control or termination of service following a change in control may cause part or all of the consideration involved to be treated as an “excess parachute payment” under the Internal Revenue Code, which may subject the participant to a 20% excise tax and preclude deduction by First Bank.

*Tax Advice.* The preceding discussion is based on federal tax laws and regulations presently in effect, which are subject to change, and the discussion does not purport to be a complete description of the federal income tax aspects of the 2024 Equity Incentive Plan. A participant may also be subject to state and local taxes in connection with the grant of awards under the 2024 Equity Incentive Plan.

### **Accounting Treatment**

Under U.S. generally accepted accounting principles, we are required to recognize compensation expense in the Bank's financial statements over the requisite service period or performance period based on the grant date fair value of stock options and other equity-based compensation (such as restricted stock awards and restricted stock units).

### **Awards to be Granted**

The Board of Directors adopted the 2024 Equity Incentive Plan, and the Compensation Committee intends to meet after shareholder approval to determine the specific terms of the awards, including the allocation of awards to officers, employees and non-employee directors. At the present time, no specific determination has been made as to the grant or allocation of awards. As of December 31, 2023, there were 11 non-employee directors and approximately 280 eligible employees to receive awards under the 2024 Equity Incentive Plan.

### **Required Vote and Recommendation of the Board**

**IN ORDER TO APPROVE THE 2024 EQUITY INCENTIVE PLAN, THE PROPOSAL MUST RECEIVE THE AFFIRMATIVE VOTE OF THE HOLDERS OF AT LEAST TWO-THIRDS OF THE SHARES OF FIRST BANK COMMON STOCK OUTSTANDING ON THE RECORD DATE.**

### **Recommendation**

**THE BANK'S BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE “FOR” APPROVAL OF THE FIRST BANK 2024 EQUITY INCENTIVE PLAN.**

## PROPOSAL 3

### ADVISORY VOTE TO APPROVE NAMED EXECUTIVE OFFICERS' COMPENSATION

First Bank's executive compensation program is designed to be closely linked to corporate performance and return to First Bank's shareholders. The Compensation and Personnel Committee has a strong pay for performance philosophy and as a result, the compensation paid to First Bank's named executive officers is generally aligned with First Bank's performance on both a short-term and a long-term basis. First Bank's compensation program also reflects First Bank's response to competition and best practices in the marketplace. The mix of compensation components is competitive with that of other companies of similar size and operational characteristics, links compensation to individual and corporate performance and encourages stock ownership by senior management.

The 2023 compensation of First Bank's named executive officers is described in the compensation tables and the accompanying narrative in "*First Bank Proposal 1 Election of Directors—First Bank Executive Compensation*". You are urged to read this disclosure before voting on this proposal.

Pursuant to the proxy rules under the Exchange Act and as required by Section 14A of the Exchange Act, First Bank is required to provide its shareholders with a separate non-binding shareholder vote to approve the compensation of First Bank's named executive officers, including the compensation tables, and any other narrative disclosure in this Proxy Statement. Such a proposal, commonly known as a "say-on-pay" proposal, gives shareholders the opportunity to endorse or not endorse First Bank's executive compensation as described in this proxy statement. First Bank shareholders may also abstain from voting. Accordingly, First Bank is requesting your non-binding approval of the following resolution:

"RESOLVED, that the shareholders approve, on a non-binding advisory basis, the 2023 compensation of First Bank's named executive officers, as disclosed in the Proxy Statement for the 2024 First Bank Shareholder Meeting pursuant to the compensation disclosure rules of the Securities and Exchange Commission."

The Board of Directors values the opinions that First Bank's shareholders express in their votes and will consider the outcome of the vote when making future executive compensation decisions, as it deems appropriate. First Bank holds an advisory vote on its named executive officers' compensation annually, with the next vote to occur at the 2025 Annual Meeting.

#### First Bank Required Vote

**IN ORDER FOR THE RESOLUTION SET FORTH ABOVE TO BE APPROVED, THE AFFIRMATIVE VOTE OF THE MAJORITY OF THE VOTES CAST ON SUCH PROPOSAL AT THE FIRST BANK SHAREHOLDER MEETING IS REQUIRED.**

#### First Bank Recommendation

**FIRST BANK'S BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE "FOR" THE APPROVAL OF THE NON-BINDING ADVISORY PROPOSAL APPROVING THE 2023 COMPENSATION OF FIRST BANK'S NAMED EXECUTIVE OFFICERS.**



## PROPOSAL 4

### RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit and Risk Management Committee appointed BDO USA, P.C., to act as First Bank’s independent registered public accounting firm and to audit First Bank’s consolidated financial statements for the fiscal year ending December 31, 2024. Although ratification is not required by First Bank’s bylaws or otherwise, this proposal is presented to the shareholders as a matter of good governance. In the event that this appointment is not ratified by First Bank’s shareholders, the Audit and Risk Management Committee will reconsider whether or not to retain that firm, and if it decides to retain them, will consider their failure to be ratified when it selects independent auditors for the following fiscal year.

One or more representatives of BDO USA, P.C. will be present at the First Bank Shareholder Meeting. These representatives will be provided an opportunity to make a statement at the First Bank Shareholder Meeting if they desire to do so and will be available to respond to appropriate questions from shareholders.

#### Principal Accounting Firm Fees

Aggregate fees billed to First Bank for the fiscal years ended December 31, 2023 and 2022 by First Bank’s principal accounting firm BDO USA, P.C. are shown in the following table. The Audit and Risk Management Committee pre-approves audit services and permitted non-audit services by First Bank’s independent registered public accounting firm in order to ensure that the provision of such services does not impair the independence of the independent registered public accounting firm from First Bank and is consistent with SEC rules. All of the services performed by BDO USA, P.C. in the years ended December 31, 2023 and 2022 were pre-approved.

	Fiscal Year Ended <sup>(1)</sup>	
	December 31,	
	2023	2022
Audit fees.....	\$ 655,001	\$ 363,595
Audit-related fees.....	20,000	16,000
Total fees.....	\$ 675,001	\$ 379,595

(1) Audit-related fees in 2023 and 2022 include benefit plan audit procedures performed by BDO USA, P.C.

#### Required Vote

**THE PROPOSAL TO RATIFY THE SELECTION OF BDO USA, P.C. AS FIRST BANK’S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE 2024 FISCAL YEAR REQUIRES AN AFFIRMATIVE VOTE OF THE MAJORITY OF VOTES CAST ON THE PROPOSAL AT THE FIRST BANK SHAREHOLDER MEETING.**

#### Recommendation

**THE BOARD OF DIRECTORS RECOMMENDS THAT THE SHAREHOLDERS VOTE “FOR” THE RATIFICATION OF BDO USA, P.C. AS FIRST BANK’S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE 2024 FISCAL YEAR.**

## **DELINQUENT SECTION 16(a) REPORTS**

Section 16(a) of the Securities Exchange Act of 1934 requires the Bank's officers and directors, and persons who own more than 10% of a registered class of the Bank's equity securities, to file reports of ownership and changes in ownership with the FDIC by certain deadlines. Officers, Directors and greater than 10% shareholders are required by regulation of the FDIC to furnish the Bank with copies of all Section 16(a) forms they file. The Bank believes that all persons associated with the Bank and subject to Section 16(a) have made all required filings for the fiscal year ended December 31, 2023.

## **SHAREHOLDER PROPOSALS AND NOMINATIONS**

We presently anticipate that our 2025 Annual Meeting of Shareholders will be held on or about April 23, 2025.

In accordance with the By-laws of the Bank, any shareholder entitled to vote for the election of directors may nominate candidates for election to the board of directors in writing, delivered or mailed by first class United States mail, postage prepaid, to the Corporate Secretary of the Bank not less than 90 days prior to such annual meeting (which is anticipated to be January 23, 2025, for the 2025 Annual Meeting of Shareholders) (provided that if less than 21 days' notice is given to shareholders, such written nomination must be delivered or mailed to the Corporate Secretary of the Bank not later than the close of business on the seventh day following the day on which notice of the meeting was mailed to shareholders). Additionally, any shareholder entitled to vote for the election of directors may propose business for consideration at an annual meeting by written notice received by the Corporate Secretary of the Bank not less than 120 days prior to release date of the previous year's annual meeting proxy statement (November 23, 2024, for the 2025 Annual Meeting of Shareholders) (provided, however, that if the date fixed for any annual meeting is more than 30 days before or after such anniversary date, the written notice must be received no later than 60 days prior to the date fixed for the annual meeting or 15 days after the public announcement of the date fixed for the annual meeting, whichever is later).

Shareholder nominations for directors and written notice of shareholder business proposals delivered to the Secretary must include all of the information required by the By-laws in Section 12 of Article III. A copy of the By-laws may be obtained by writing to First Bank, 2465 Kuser Road, Hamilton, New Jersey 08690 (Attn: Donna Bencivengo, Corporate Secretary).

Shareholders may also recommend qualified persons for consideration by the Bank's Nominating and Governance Committee for nomination to the board of directors. See "Nominating and Governance Committee" above for the proper procedures to do so.

A shareholder who desires to propose a matter for consideration at the 2025 Annual Meeting of Shareholders for inclusion in the Bank's proxy materials for that meeting under Rule 14a-8 promulgated under the Exchange Act must provide notice thereof in writing, delivered or mailed by first class United States mail, postage prepaid, to the Secretary of the Bank, not less than one hundred twenty (120) calendar days before the release date of the previous year's annual meeting proxy statement. Therefore, if this Proxy Statement is mailed to shareholders on March 22, 2025, as anticipated, a shareholder desiring to propose a matter for consideration at the 2025 Annual Meeting of Shareholders or for inclusion in the Bank's proxy materials relating to that meeting must submit such proposal in writing, addressed to First Bank, 2465 Kuser Road, Hamilton, New Jersey 08690 (Attn: Donna Bencivengo, Corporate Secretary), on or before November 23, 2024.

Additionally, in accordance with Rule 14a-19 promulgated under the Exchange Act, a shareholder intending to engage in a director election contest at the Company's Annual Meeting of Shareholders must give the Company notice of its intent to solicit proxies by providing the names of its nominees and certain other information at least 60 calendar days before the anniversary of the previous year's annual meeting. For the 2025 Annual Meeting of Shareholders, this deadline is February 26, 2025.

## ANNUAL REPORT ON FORM 10-K

**A copy of First Bank's Annual Report on Form 10-K for the fiscal year ended December 31, 2023, including financial statements and schedules but not including exhibits, as filed with the FDIC, will be sent to any shareholder of record on March 8, 2024 without charge upon written request addressed to:**

First Bank  
Attn: Corporate Secretary 2465 Kuser Road  
Hamilton, New Jersey 08690

A reasonable fee will be charged for copies of exhibits. You also may access our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 at <https://FRBA.q4ir.com/sec-filings/documents/default.aspx>.

### OTHER MATTERS

The Board of Directors is not aware of any other matters which may come before the Annual Meeting. However, in the event such other matters come before the meeting, it is the intention of the persons named in the proxy to vote on any such matters in accordance with the recommendation of the board of directors.

Shareholders are urged to sign the enclosed proxy, which is solicited on behalf of the board of directors, and return it in the enclosed postage-paid return envelope. You may also vote your shares telephonically or via the Internet.

**FIRST BANK****2024 Equity Incentive Plan****ARTICLE 1 — GENERAL**

**Section 1.1 Purpose, Effective Date and Term.** The purpose of the First Bank 2024 Equity Incentive Plan (the "Plan") is to promote the long-term financial success of First Bank and its Subsidiaries (the "Bank"), by providing a means to attract, retain and reward individuals who contribute to that success and to further align their interests with those of the Bank's stockholders through the ownership of additional shares of common stock of the Bank and/or through compensation tied to the value of the Bank's common stock. The "Effective Date" of the Plan shall be the date on which the Plan satisfies the applicable stockholder approval requirements. The Plan shall remain in effect as long as any Awards are outstanding; *provided, however*, that no Awards may be granted under the Plan after the day immediately prior to the ten-year anniversary date of the Effective Date. As of the Effective Date of this Plan, no further grants will be made under the 2021 Equity Incentive Plan, which shall remain in existence solely for the purpose of administering outstanding grants under that plan.

**Section 1.2 Administration.** The Plan shall be administered by the Compensation Committee of the Board of Directors or the Board of Directors (the "Committee") in accordance with Section 5.1.

**Section 1.3 Participation.** Each individual who is granted and holds an Award in accordance with the terms of the Plan shall be a Participant in the Plan (a "Participant"). The grant of Awards shall be limited to Employees and Directors of the Bank or any Subsidiary.

**Section 1.4 Definitions.** Capitalized terms used in this Plan are defined in Article 8 and elsewhere in this Plan.

**ARTICLE 2 — AWARDS**

**Section 2.1 General.** Any Award under the Plan may be granted singularly or in combination with another Award or other Awards. Each Award under the Plan shall be subject to the terms and conditions of the Plan and any additional terms, conditions, limitations and restrictions as the Committee shall provide with respect to the Award and as evidenced in an Award Agreement. In the event of a conflict between the terms of an Award Agreement and the Plan, the terms of the Plan will control. Subject to the provisions of Section 2.2(d), an Award may be granted as an alternative to or replacement of an existing Award under the Plan or any other plan of the Bank or any Subsidiary or as the form of payment for grants or rights earned or due under any other compensation plan or arrangement of the Bank or any Subsidiary, including without limitation the plan of any entity acquired by the Bank or any Subsidiary. The types of Awards that may be granted under the Plan include Stock Options, Restricted Stock and Restricted Stock Units and any Award may be granted as a Performance Award.

**Section 2.2 Stock Options.** A Stock Option is a grant that represents the right to purchase shares of Stock at an established Exercise Price.

(a) *Grant of Stock Options.* Each Stock Option shall be evidenced by an Award Agreement that specifies (i) the number of shares of Stock covered by the Stock Option; (ii) the date of grant of the Stock Option and the Exercise Price; (iii) the vesting period or conditions to vesting or exercisability (whether time- and/or performance-based); and (iv) any other terms and conditions not inconsistent with the Plan, including the effect of termination of a Participant's employment or Service, as the Committee may, in its discretion, prescribe. Any Stock Option may be either an Incentive Stock Option that is intended to satisfy the requirements applicable to an "Incentive Stock Option" described in Code Section 422(b), or a Non-Qualified Option that is not intended to be an ISO; provided, however, that no ISOs may be granted: (i) after the day immediately prior to the ten-year anniversary of the Effective Date or the date on which the Plan is approved by the Board of Directors, whichever is earlier; or (ii) to a non-Employee. Unless otherwise specifically provided by its terms, any Stock Option granted to an Employee under this Plan shall be an ISO to the maximum extent permitted. Any ISO granted under this Plan that does not qualify as an ISO for any reason (whether at the time of grant or as the result of a subsequent event) shall be deemed to be a Non-Qualified Option. In addition, any ISO granted under this Plan may be unilaterally modified by the Committee to disqualify it from ISO treatment, so that it becomes a Non-Qualified Option; provided, however, that any such modification shall be ineffective if it causes the Award to be subject to Code Section 409A (unless, as modified, the Award complies with Code Section 409A).

(b) *Other Terms and Conditions.* A Stock Option shall be exercisable in accordance with its terms and conditions and during the periods established by the Committee. In no event, however, shall a Stock Option expire later than ten (10) years after the date of its grant (or five (5) years with respect to ISOs granted to a 10% Stockholder). The Exercise Price of each Stock Option shall not be less than 100% of the Fair Market Value of a share of Stock on the date of grant (or, if greater, the par value of a share of Stock); *provided, however*, that the Exercise Price of an ISO shall not be less than 110% of Fair Market Value of a share of Stock on the date of grant if granted to a 10% Stockholder; *provided further*, that the Exercise Price may be higher or lower in the case of Stock Options or granted or exchanged in replacement of existing Awards held by an employee or director of an acquired entity. The payment of the Exercise Price shall be by cash or, subject to limitations imposed by applicable law, by any other means as the Committee may from time to time permit, including: (i) by tendering, either actually or constructively by attestation, shares of Stock valued at Fair Market Value as of the day of exercise; (ii) by irrevocably authorizing a third party, acceptable to the Committee, to sell shares of Stock (or a sufficient portion of the shares) acquired upon exercise of the Stock Option and to remit to the Bank a sufficient portion of the sale proceeds to pay the entire Exercise Price and any tax withholding resulting from the exercise; (iii) by a net settlement of the Stock Option, using a portion of the shares obtained on exercise in payment of the Exercise Price (and if applicable, any tax withholding); (iv) by personal, certified or cashier's check; (v) by other property deemed acceptable by the Committee; or (vi) by any combination thereof. The total number of shares that may be acquired upon the exercise of a Stock Option shall be rounded down to the nearest whole share, with cash-in-lieu paid by the Bank, at its discretion, for the value of any fractional share.

(c) *Prohibition of Cash Buy-Outs of Underwater Stock Options.* Under no circumstances will any underwater Stock Option (i.e., a Stock Option with an Exercise Price as of an applicable date that is greater than the Fair Market Value of Stock) that was granted under the Plan be bought back by the Bank without stockholder approval.

(d) *Prohibition Against Repricing.* Except for adjustments pursuant to Section 3.4, and reductions of the Exercise Price approved by the Bank's stockholders, neither the Committee nor the Board of Directors shall have the right or authority to make any adjustment or amendment that reduces or would have the effect of reducing the Exercise Price of a Stock Option previously granted under the Plan, whether through amendment, cancellation (including cancellation in exchange for a cash payment in excess of the Award's in-the-money value or in exchange for Options or other Awards) or replacement grants, or other means.

### **Section 2.3 Restricted Stock.**

(a) *Grant of Restricted Stock.* A Restricted Stock Award means a grant of a share of Stock for no consideration or such minimum consideration as may be required by applicable law, subject to a vesting schedule or the satisfaction of market conditions or performance conditions. Each Restricted Stock Award shall be evidenced by an Award Agreement that specifies (i) the number of shares of Stock covered by the Restricted Stock Award; (ii) the date of grant of the Restricted Stock Award; (iii) the vesting period (whether time- and/or performance-based); and (iv) any other terms and conditions not inconsistent with the Plan, including the effect of termination of a Participant's employment or Service. All Restricted Stock Awards shall be in the form of issued and outstanding shares of Stock that, at the discretion of the Committee, shall be either (x) registered in the name of the Participant and held by or on behalf of the Bank, together with a stock power executed by the Participant in favor of the Bank, pending the vesting or forfeiture of the Restricted Stock; or (y) registered in the name of, and delivered to, the Participant. In any event, the certificates evidencing the Restricted Stock Award shall at all times prior to the applicable vesting date bear the following legend:

The Stock evidenced hereby is subject to the terms of an Award Agreement with First Bank, dated [date], made pursuant to the terms of the First Bank 2024 Equity Incentive Plan, copies of which are on file at the executive offices of First Bank, and may not be sold, encumbered, hypothecated or otherwise transferred except in accordance with the terms of the Plan and Award Agreement,

or such other restrictive legend as the Committee, in its discretion, may specify. Notwithstanding the foregoing, the Bank may in its sole discretion issue Restricted Stock in any other approved format (e.g., *electronically*) in order to facilitate the paperless transfer of the Award. In the event Restricted Stock is not issued in certificate form, the Bank and the transfer agent shall maintain appropriate bookkeeping entries that evidence Participants' ownership of the Awards. Restricted Stock that is not issued in certificate form shall be subject to the same terms and conditions of the Plan as certificated shares, including the restrictions on transferability and the provision of a stock power executed by the Participant in favor of the Bank, until the satisfaction of the conditions to which the Restricted Stock Award is subject.

(b) *Terms and Conditions.* Each Restricted Stock Award shall be subject to the following terms and conditions:

(i) *Dividends.* Unless the Committee determines otherwise with respect to any Restricted Stock Award and specifies such determination in the relevant Award Agreement, any cash dividends or distributions declared with respect to shares of Stock subject to the Restricted Stock Award shall be immediately distributed to the Participants. Unless the Committee determines otherwise with respect to any Restricted Stock Award and specifies such determination in the relevant Award Agreement, no dividends shall be paid with respect to any Restricted Stock Awards subject to performance-based vesting conditions unless and until the Participant vests in the Restricted Stock Award (and in such event upon the vesting of a performance-based Restricted Stock Award, any dividends declared but not paid to the Participant during the vesting period shall be paid within thirty (30) days following the vesting date). Any stock dividends declared on shares of Stock subject to a Restricted Stock Award shall be subject to the same restrictions and shall vest at the same time as the shares of Restricted Stock from which the dividends were derived.

(ii) *Voting Rights.* Unless the Committee determines otherwise with respect to any Award that is in the form of issued and outstanding Stock and specifies such determination in the relevant Award Agreement, a Participant shall have voting rights related to the unvested, non-forfeited Restricted Stock Award and such voting rights shall be exercised by the Participant in his or her discretion.

(iii) *Tender Offers and Merger Elections.* Each Participant to whom a Restricted Stock Award is granted shall have the right to respond, or to direct the response, with respect to the related shares of Restricted Stock, to any tender offer, exchange offer, cash/stock merger consideration election or other offer made to, or elections made by, the holders of shares of Stock. The direction for any the shares of Restricted Stock shall be given by proxy or ballot (if the Participant is the beneficial owner of the shares of Restricted Stock for voting purposes) or by completing and filing, with the inspector of elections, the trustee or the other person who shall be independent of the Bank, as the Committee shall designate in the direction (if the Participant is not the a beneficial owner), a written direction in the form and manner prescribed by the Committee. If no direction is given, then the shares of Restricted Stock shall not be tendered.

#### **Section 2.4 Restricted Stock Units.**

(a) *Grant of Restricted Stock Unit Awards.* A Restricted Stock Unit means an Award denominated in shares of Stock that is similar to a Restricted Stock Award except no shares of Stock are actually awarded on the date of grant. A Restricted Stock Unit is subject to a vesting schedule or the satisfaction of market conditions or performance conditions and shall be settled in shares of Stock, provided, however, that in the sole discretion of the Committee, determined at the time of settlement, a Restricted Stock Unit may be settled in cash based on the Fair Market Value of a share of the Stock multiplied by the number of Restricted Stock Units being settled, or a combination of shares of Stock and cash. Each Restricted Stock Unit shall be evidenced by an Award Agreement that specifies (i) the number of Restricted Stock Units covered by the Award; (ii) the date of grant of the Restricted Stock Units; (iii) the Restriction Period and the vesting period (whether time- and/or performance-based); (iv) any other terms and conditions not inconsistent with the Plan, including the effect of termination of a Participant's employment or Service.

(b) *Other Terms and Conditions.* Each Restricted Stock Unit Award shall be subject to the following terms and conditions:

(i) The Committee shall impose any other conditions and/or restrictions on any Restricted Stock Unit Award as it may deem advisable, including, without limitation, a requirement that Participants pay a stipulated purchase price for each Restricted Stock Unit, time-based restrictions and vesting following the attainment of performance measures, restrictions under applicable laws or under the requirements of any Exchange or market upon which shares of Stock may be listed, or holding requirements or sale restrictions placed by the Bank upon vesting of Restricted Stock Units.

(ii) The conditions for grant or vesting and the other provisions of Restricted Stock Units (including without limitation any applicable performance measures) need not be the same with respect to each recipient. An Award of Restricted Stock Units shall generally be settled as and when the Restricted Stock Units vest or, in the case of Restricted Stock Units subject to performance measures, after the Committee has determined that the performance goals have been satisfied.

(iii) Subject to the provisions of the Plan and the applicable Award Agreement, during the period, if any, set by the Committee, commencing with the date of such Restricted Stock Unit for which the Participant's continued Service is required (the "Restriction Period"), and until the later of (A) the expiration of the Restriction Period and (B) the date the applicable performance measures (if any) are satisfied, the Participant shall not be permitted to sell, assign, transfer, pledge or otherwise encumber Restricted Stock Units.

(iv) A Participant shall have no voting rights with respect to any Restricted Stock Units. No dividends shall be paid on Restricted Stock Units. In the sole discretion of the Committee, exercised at the time of grant, Dividend Equivalent Rights may be assigned to Restricted Stock Units. A Dividend Equivalent Right, if one, shall be paid at the same time as the shares of Stock or cash subject to the Restricted Stock Unit are distributed to the Participant and is otherwise subject to the same rights and restrictions as the underlying Restricted Stock Unit.

**Section 2.5 Vesting of Awards.** Unless the Committee specifies a different vesting schedule at the time of grant, Awards under the Plan (other than Performance Awards) shall be granted to Employees with a vesting schedule of thirty-three and one-third percent (33 1/3%) per year, with the initial installment vesting no earlier than the one-year anniversary of the date of grant, and to non-Employee Directors with a one-year cliff vesting schedule, and in each case subject to accelerated vesting in the event of death, Disability or an Involuntary Termination following a Change in Control. Notwithstanding the foregoing sentence, at least ninety-five percent (95%) of the Awards under the Plan shall vest no earlier than one (1) year after the date of grant, unless accelerated due to death, Disability or an Involuntary Termination following a Change in Control. If the right to become vested in an Award (including the right to exercise a Stock Option) is conditioned on the completion of a specified period of Service, without achievement of performance measures or other performance objectives being required as a condition of vesting, and without it being granted in lieu of, or in exchange for, other compensation, then the required period of Service for full vesting shall be evidenced in an Award Agreement (subject to acceleration of vesting, to the extent permitted by the Plan), by the Committee (subject to the limitations set forth in this Section 2.5) or as set forth in the Award Agreement, in the event of the Participant's death, Disability or Involuntary Termination following a Change in Control).

**Section 2.6 Deferred Compensation.** If any Award would be considered "deferred compensation" as defined under Code Section 409A ("Deferred Compensation"), the Committee reserves the absolute right (including the right to delegate such right) to unilaterally amend the Plan or the Award Agreement, without the consent of the Participant, to maintain exemption from, or to comply with, Code Section 409A. Any amendment by the Committee to the Plan or an Award Agreement pursuant to this Section 2.6 shall maintain, to the extent practicable, the original intent of the applicable provision without violating Code Section 409A. A Participant's acceptance of any Award under the Plan constitutes acknowledgement and consent to the rights of the Committee, without further consideration or action. Any discretionary authority retained by the Committee pursuant to the terms of this Plan or pursuant to an Award Agreement shall not be applicable to an Award which is determined to constitute Deferred Compensation, if the discretionary authority would contravene Code Section 409A.

**Section 2.7. Effect of Termination of Service on Awards.** The Committee shall establish the effect of a Termination of Service on the continuation of rights and benefits available under an Award and, in so doing, may make distinctions based upon, among other things, the reason(s) for the Termination of Service and type of Award. Unless otherwise specified by the Committee and set forth in an Award Agreement between the Bank and/or a Subsidiary and the Participant or as set forth in an employment or severance agreement entered into by and between the Bank and/or a Subsidiary and the Participant, the following provisions shall apply to each Award granted under this Plan:

(a) Upon a Participant's Termination of Service for any reason other than due to Disability, death or for Cause, Stock Options shall be exercisable only as to those shares that were immediately exercisable by the Participant at the date of termination, and the Stock Options may be exercised only for a period of three (3) months following termination and any Restricted Stock Award or Restricted Stock Unit that has not vested as of the date of Termination of Service shall expire and be forfeited.

(b) In the event of a Termination of Service for Cause, all Stock Options granted to a Participant that have not been exercised and all Restricted Stock Awards and Restricted Stock Units granted to a Participant that have not vested shall expire and be forfeited.

(c) Upon Termination of Service for reason of Disability or death, any Service-based Stock Options shall be exercisable as to all shares subject to an outstanding Option, whether or not then exercisable, and all Service-based Restricted Stock Awards and Restricted Stock Units shall vest as to all shares subject to an outstanding Award, whether or not otherwise immediately vested, at the date of Termination of Service. Upon Termination of Service for reason of Disability or death, any Awards that vest based on the achievement of performance targets shall vest, pro-rata, by multiplying (i) the number of Awards that would be obtained based on achievement at target (or if actual achievement of the performance measures is greater than the target level, at such actual achievement level) as of the date of Disability or death, by (ii) a fraction, the numerator of which is the number of whole months the Participant was in Service during the performance period and the denominator of which is the number of months in the performance period. Stock Options may be exercised for a period of one year following a Termination of Service due to death or Disability; *provided, however*, that no Stock Option shall be eligible for treatment as an ISO in the event the Stock Option is exercised more than one year following Termination of Service due to Disability and *provided, further*, in order to obtain ISO treatment for Stock Options exercised by heirs or devisees of an optionee, the optionee's death must have occurred while employed or within three months of Termination of Service.

(d) Notwithstanding anything herein to the contrary, no Stock Option shall be exercisable beyond the last day of the original term of the Stock Option.

(e) Notwithstanding the provisions of this Section 2.7, the effect of a Change in Control on the vesting/exercisability of Stock Options, Restricted Stock Awards and Restricted Stock Units is as set forth in Article 4.

**Section 2.8. Holding Period for Vested Awards.** As a condition of receipt of an Award, a Participant (other than a Director or a Participant who is not subject to Section 16 of the Exchange Act) must agree to hold a vested Award or Stock received upon exercise of a Stock Option until the later of (i) 12 months or (ii) the date the individual meets the minimum ownership requirements (if any) applicable to that individual. The foregoing limitation shall not apply to the extent that an Award vests due to death, Disability or an Involuntary Termination following a Change in Control, or to the extent that (i) a Participant directs the Bank to withhold or the Bank elects to withhold shares of Stock with respect to the vesting or exercise, or, in lieu thereof, to retain, or to sell without notice, a sufficient number of shares of Stock to cover the amount required to be withheld or (ii) a Participant exercises a Stock Option by a net settlement, and in the case of (i) and (ii) herein, only to the extent of the shares are withheld for tax purposes or for purposes of the net settlement.

### **ARTICLE 3 — SHARES SUBJECT TO PLAN**

**Section 3.1 Available Shares.** The shares of Stock with respect to which Awards may be made under the Plan shall be shares currently authorized but unissued, currently held or, to the extent permitted by applicable law, subsequently acquired by the Bank, including shares purchased in the open market or in private transactions.

#### **Section 3.2 Share Limitations.**

(a) *Share Reserve.* The maximum number of shares of Stock that may be delivered to Participants and their beneficiaries under the Plan shall be equal to (i) One Million Three Hundred Thousand (1,300,000) shares of Stock, subject to adjustment as provided herein. Subject to the limitations set forth in this Section 3.2, Awards under the Plan may be made in any combination of shares of Restricted Stock Awards, Restricted Stock Units or Stock Options and all Awards may be granted as either Restricted Stock Awards, Restricted Stock Units or Stock Options, in the discretion of the Committee, and all Stock Options may be granted as Incentive Stock Options. The aggregate number of shares available for grant under this Plan from the share reserve and the number of shares of Stock subject to outstanding awards shall be subject to adjustment as provided in Section 3.4.

(b) *Computation of Shares Available.* For purposes of this Section 3.2 and in connection with the granting of a Stock Option, Restricted Stock Award or Restricted Stock Units, the number of shares of Stock available for the grant of additional Stock Options, Restricted Stock Awards or Restricted Stock Units shall be reduced by the number of shares of Stock previously granted, subject to the following. To the extent any shares of Stock covered by an Award (including Restricted Stock Awards and Restricted Stock Units) under the Plan are not delivered to a Participant or beneficiary for any reason, including because the Award is forfeited or canceled or because a Stock Option is not exercised, then such shares shall not be deemed to have been delivered for purposes of determining the maximum number of shares of Stock available for delivery under the Plan. To the extent: (i) a Stock Option is exercised by using an actual or constructive exchange of shares of Stock to pay the Exercise Price; (ii) shares of Stock are withheld to satisfy withholding taxes upon exercise or vesting of an Award granted hereunder; or (iii) shares are withheld to satisfy the Exercise Price of Stock Options in a net settlement of Stock Options, then the number of shares of Stock available shall be reduced by the gross number of Stock Options exercised rather than by the net number of shares of Stock issued.



**Section 3.3 Limitations on Grants to Non-Employee Directors.** The maximum number of Awards, in the aggregate, of Stock Options, Restricted Stock and Restricted Stock Units that may be granted to any one non-Employee Director pursuant to this Plan and all other equity incentive plans maintained by the Bank for any calendar year shall not have a fair value as of the date of grant exceeding \$500,000.

**Section 3.4 Corporate Transactions.**

(a) *General.* In the event any recapitalization, reclassification, forward or reverse stock split, reorganization, merger, consolidation, spin-off, combination, or exchange of shares of Stock or other securities, stock dividend or other special and nonrecurring dividend or distribution (whether in the form of cash, securities or other property), liquidation, dissolution, or increase or decrease in the number of shares of Stock without consideration, or similar corporate transaction or event, affects the shares of Stock such that an adjustment is appropriate in order to prevent dilution or enlargement of the rights of Participants under the Plan and/or under any Award granted under the Plan, then the Committee shall, in an equitable manner, adjust any or all of: (i) the number and kind of securities deemed to be available thereafter for grants of Stock Options, Restricted Stock Awards and Restricted Stock Units in the aggregate to all Participants and individually to any one Participant; (ii) the number and kind of securities that may be delivered or deliverable in respect of outstanding Stock Options, Restricted Stock Awards and Restricted Stock Units; and (iii) the Exercise Price. In addition, the Committee is authorized to make adjustments in the terms and conditions of, and the criteria included in, Stock Options, Restricted Stock Awards and Restricted Stock Units (including, without limitation, cancellation of Stock Options, Restricted Stock Awards and Restricted Stock Units in exchange for the in-the-money value, if any, of the vested portion thereof, or substitution or exchange of Stock Options, Restricted Stock Awards and Restricted Stock Units using stock of a successor or other entity) in recognition of unusual or nonrecurring events (including, without limitation, events described in the preceding sentence) affecting the Bank or any parent or Subsidiary or the financial statements of the Bank or any parent or Subsidiary, or in response to changes in applicable laws, regulations, or accounting principles.

(b) *Merger in Which Bank is Not Surviving Entity.* In the event of any merger, consolidation, or other business reorganization (including, but not limited to, a Change in Control) in which the Bank is not the surviving entity, any Stock Options granted under the Plan which remain outstanding shall be converted into Stock Options to purchase voting common equity securities of the business entity which survives such merger, consolidation or other business reorganization having substantially the same terms and conditions as the outstanding Stock Options under this Plan and reflecting the same economic benefit (as measured by the difference between the aggregate Exercise Price and the value exchanged for outstanding shares of Stock in such merger, consolidation or other business reorganization), all as determined by the Committee prior to the consummation of such merger. Similarly, any Restricted Stock or Restricted Stock Units which remain outstanding shall be assumed by and become Restricted Stock and/or Restricted Stock Units of the business entity which survives the merger, consolidation or other business reorganization. In the event the acquiring entity fails or refuses to assume the Bank's outstanding Awards, any Service-based Awards shall vest immediately at or immediately prior to the effective time of such merger, consolidation or other business reorganization. Any Awards subject to performance-based vesting conditions shall vest in the same manner as required under Section 4.1(c) hereof at the time of such merger, consolidation or other business reorganization, as if the holder thereof incurred an Involuntary Termination of Service on such date. Unless another treatment is specified in the documents governing such merger, consolidation or other business organization, in the case of vested Restricted Stock or Restricted Stock Units, holders thereof shall receive on the effective date of the transaction, the same value as received by a holder of a share of the Bank's Stock, multiplied by the number of Restricted Stock or Restricted Stock Units held, and in the case of a holder of Stock Options, the holder shall receive the difference, in cash, between the aggregate Exercise Price of such holder's outstanding Stock Options and the value exchanged for outstanding shares of the Bank's Stock in such merger, consolidation or other business reorganization.

**Section 3.5 Delivery of Shares.** Delivery of shares of Stock or other amounts under the Plan shall be subject to the following:

(a) *Compliance with Applicable Laws.* Notwithstanding any other provision of the Plan, the Bank shall have no obligation to deliver any shares of Stock or make any other distribution of benefits under the Plan unless the delivery or distribution complies with all applicable laws (including, the requirements of the Securities Act), and the applicable requirements of any Exchange or similar entity.

(b) *Certificates.* To the extent that the Plan provides for the issuance of shares of Stock, the issuance may be effected on a non-certificated basis, to the extent not prohibited by applicable law or the applicable rules of any Exchange.

## ARTICLE 4 — CHANGE IN CONTROL

**Section 4.1 Consequence of a Change in Control.** Subject to the provisions of Section 2.5 (relating to vesting and acceleration) and Section 3.4 (relating to the adjustment of shares), and except as otherwise provided in the Plan:

(a) At the time of an Involuntary Termination following a Change in Control, all service-based Stock Options then held by the Participant shall become fully earned and exercisable (subject to the expiration provisions otherwise applicable to the Stock Option). All Stock Options may be exercised for a period of one year following the Participant's Involuntary Termination following a Change in Control, provided, however, that no Stock Option shall be eligible for treatment as an ISO in the event such Stock Option is exercised more than three (3) months following a termination of employment.

(b) At the time of an Involuntary Termination following a Change in Control, all Service-based Awards of Restricted Stock and Restricted Stock Units shall become fully earned and vested immediately.

(c) In the event of an Involuntary Termination following a Change in Control, a prorated portion of any Performance Awards will vest at the higher of the actual level of the performance measures that have been achieved on the most recent completed fiscal quarter or at the target performance level. The pro-rata portion will be calculated based on a number of months worked during the performance period as a percentage of the total performance period.

**Section 4.2 Definition of Change in Control.** For purposes of this Agreement, the term "Change in Control" shall mean any of the following events:

(a) A reorganization, merger, consolidation or sale of all or substantially all of the assets of the Bank, or a similar transaction, in any case in which the holders of the voting stock of the Bank prior to such transaction do not hold a majority of the voting power of the resulting entity; or

(b) Individuals who constitute the Incumbent Board (as herein defined) of the Bank cease for any reason to constitute a majority thereof. For these purposes, "Incumbent Board" means the Board of Directors of the Bank on the date hereof, provided that any person becoming a director subsequent to the date hereof whose election was approved by a voting of at least three-quarters of the directors comprising the Incumbent Board, or whose nomination for election by members or stockholders was approved by the same nominating committee serving under an Incumbent Board, shall be considered as though he or she were a member of the Incumbent Board.

In the event that an Award constitutes Deferred Compensation, and the settlement of, or distribution of benefits under, such Award is to be triggered solely by a Change in Control, then with respect to the Award, a Change in Control shall be defined as required under Code Section 409A, as in effect at the time of such transaction.

## ARTICLE 5 — COMMITTEE

**Section 5.1 Administration.** The Plan shall be administered by the Committee or the Board of Directors if no Committee exists. The Board of Directors (or if necessary to maintain compliance with the applicable listing standards, those members of the Board of Directors who are "independent directors" under the corporate governance statutes or rules of any national Exchange on which the Bank lists, has listed or seeks to list its securities) may, in their discretion, take any action and exercise any power, privilege or discretion conferred on the Committee under the Plan with the same force and effect under the Plan as if done or exercised by the Committee.

**Section 5.2 Powers of Committee.** The administration of the Plan by the Committee shall be subject to the following:

(a) The Committee shall have the authority and discretion to select those persons who shall receive Awards, to determine the time or times of receipt, to determine the types of Awards and the number of shares covered by the Awards, to establish the terms, conditions, features (including automatic exercise in accordance with Section 7.18), performance criteria, restrictions (including without limitation, provisions relating to non-competition, non-solicitation and confidentiality), and other provisions of such Awards (subject to the restrictions imposed by Article 6), to cancel or suspend Awards and to reduce, eliminate or accelerate any restrictions or vesting requirements applicable to an Award at any time after the grant of the Award; provided, however, that the Committee shall not exercise its discretion to accelerate an Award within the first year following the date of grant, or to extend the time period to exercise a Stock Option, provided that the extension is consistent with Code Section 409A.

(b) The Committee shall have the authority and discretion to interpret the Plan, to establish, amend and rescind any rules and regulations relating to the Plan, and to make all other determinations that may be necessary or advisable for the administration of the Plan.

(c) The Committee shall have the authority to define terms not otherwise defined herein.

(d) In controlling and managing the operation and administration of the Plan, the Committee shall take action in a manner that conforms to the charter and bylaws of the Bank and applicable corporate law.

(e) The Committee shall have the authority to: (i) suspend a Participant's right to exercise a Stock Option during a blackout period (or similar restricted period) or to exercise in a particular manner (i.e., such as a "cashless exercise" or "broker-assisted exercise") to the extent that the Committee deems it necessary or in the best interests of the Bank in order to comply with the securities laws and regulations issued by the SEC (the "Blackout Period"); and (ii) to extend the period to exercise a Stock Option by a period of time equal to the Blackout Period, provided that such extension does not violate Section 409A of the Code, the Incentive Stock Option requirements or applicable laws and regulations.

**Section 5.3 Delegation by Committee.** Except to the extent prohibited by applicable law, the applicable rules of an Exchange upon which the Bank lists its shares or the Plan, or as necessary to comply with the exemptive provisions of Rule 16b-3 promulgated under the Exchange Act, the Committee may allocate all or any portion of its responsibilities and powers to any one or more of its members and may delegate all or any part of its responsibilities and powers to any person or persons selected by it, including: (a) delegating to a committee of one or more members of the Board of Directors who are not "non-employee directors," within the meaning of Rule 16b-3, the authority to grant Awards under the Plan to eligible persons who are not then subject to Section 16 of the Exchange Act; or (b) delegating to a committee of one or more members of the Board of Directors who would be eligible to serve on the Compensation Committee of the Bank pursuant to the listing requirements imposed by any national securities exchange on which the Bank lists, has listed or seeks to list its securities, the authority to grant awards under the Plan. The acts of such delegates shall be treated hereunder as acts of the Committee and such delegates shall report regularly to the Committee regarding the delegated duties and responsibilities and any Awards so granted. Any such allocation or delegation may be revoked by the Committee at any time.

**Section 5.4 Information to be Furnished to Committee.** As may be permitted by applicable law, the Bank and its Subsidiaries shall furnish the Committee with data and information it determines may be required for it to discharge its duties. The records of the Bank and its Subsidiaries as to a Participant's employment, termination of employment, leave of absence, reemployment and compensation shall be conclusive on all persons unless determined by the Committee to be manifestly incorrect. Subject to applicable law, Participants and other persons entitled to benefits under the Plan must furnish the Committee such evidence, data or information as the Committee considers desirable to carry out the terms of the Plan.

**Section 5.5 Committee Action.** The Committee shall hold meetings, and may make administrative rules and regulations, as it may deem proper. A majority of the members of the Committee shall constitute a quorum, and the action of a majority of the members of the Committee present at a meeting at which a quorum is present, as well as actions taken pursuant to the unanimous written consent of all of the members of the Committee without holding a meeting, shall be deemed to be actions of the Committee. Subject to Section 5.1, all actions of the Committee, including interpretations of provisions of the Plan, shall be final and conclusive and shall be binding upon the Bank, Participants and all other interested parties. Any person dealing with the Committee shall be fully protected in relying upon any written notice, instruction, direction or other communication signed by a member of the Committee or by a representative of the Committee authorized to sign the same in its behalf.

## **ARTICLE 6 — AMENDMENT AND TERMINATION**

**Section 6.1 General.** The Board of Directors may, as permitted by law, at any time, amend or terminate the Plan, and may amend any Award Agreement, provided that no amendment or termination (except as provided in Sections 2.6, 3.4 and 6.2) may cause the Award to violate Code Section 409A, may cause the repricing of a Stock Option, or, in the absence of written consent to the change by the affected Participant (or, if the Participant is not then living, the affected beneficiary), adversely impair the rights of any Participant or beneficiary under any Award prior to the date the amendment is adopted by the Board of Directors; *provided, however*, that, no amendment may (a) materially increase the benefits accruing to Participants under the Plan, (b) materially increase the aggregate number of securities which may be issued under the Plan, other than pursuant to Section 3.4, or (c) materially modify the requirements for participation in the Plan, unless the amendment is approved by the Bank's stockholders.

**Section 6.2 Amendment to Conform to Law and Accounting Changes.** Notwithstanding any provision in this Plan or any Award Agreement to the contrary, the Committee may amend the Plan or any Award Agreement, to take effect retroactively or otherwise, as deemed necessary or advisable for the purpose of: (i) conforming the Plan or the Award Agreement to any present or future law relating to plans of this or similar nature (including, but not limited to, Code Section 409A); or (ii) avoiding an accounting treatment resulting from an accounting pronouncement or interpretation thereof issued by the SEC or Financial Accounting Standards Board subsequent to the adoption of the Plan or the making of the Award affected thereby, which, in the sole discretion of the Committee, may materially and adversely affect the financial condition or results of operations of the Bank. By accepting an Award under this Plan, each Participant agrees and consents to any amendment made pursuant to this Section 6.2 to any Award granted under the Plan without further consideration or action.

## **ARTICLE 7 — GENERAL TERMS**

### **Section 7.1 No Implied Rights.**

(a) *No Rights to Specific Assets.* Neither a Participant nor any other person shall by reason of participation in the Plan acquire any right in or title to any assets, funds or property of the Bank or any Subsidiary whatsoever, including any specific funds, assets, or other property which the Bank or any Subsidiary, in its sole discretion, may set aside in anticipation of a liability under the Plan. A Participant shall have only a contractual right to the shares of Stock or amounts, if any, payable or distributable under the Plan, unsecured by any assets of the Bank or any Subsidiary, and nothing contained in the Plan shall constitute a guarantee that the assets of the Bank or any Subsidiary shall be sufficient to pay any benefits to any person.

(b) *No Contractual Right to Employment or Future Awards.* The Plan does not constitute a contract of employment, and selection as a Participant will not give any participating Employee the right to be retained in the employ of the Bank or any Subsidiary or any right or claim to any benefit under the Plan, unless the right or claim has specifically accrued under the terms of the Plan. No individual shall have the right to be selected to receive an Award under the Plan, or, having been so selected, to receive a future Award under the Plan.

(c) *No Rights as a Stockholder.* Except as otherwise provided in the Plan or in the Award Agreement, no Award shall confer upon the holder thereof any rights as a stockholder of the Bank prior to the date on which the individual fulfills all conditions for receipt of such rights.

**Section 7.2 Transferability.** Except as otherwise so provided by the Committee, Stock Options under the Plan are not transferable except: (i) as designated by the Participant by will or by the laws of descent and distribution; (ii) to a trust established by the Participant, if under Code Section 671 and applicable state law, the Participant is considered the sole beneficial owner of the Stock Option while held in trust; or (iii) between spouses incident to a divorce or pursuant to a domestic relations order, provided, however, in the case of a transfer within the meaning of Section 7.2(iii), the Stock Option shall not qualify as an ISO as of the day of such transfer. The Committee shall have the discretion to permit the transfer of vested Stock Options (other than ISOs) under the Plan; provided, however, that such transfers shall be limited to Immediate Family Members of Participants, trusts and partnerships established for the primary benefit of such family members or to charitable organizations, and; provided, further, that such transfers are not made for consideration to the Participant.

Awards of Restricted Stock shall not be transferable prior to the time that such Awards vest in the Participant. A Restricted Stock Unit Award is not transferable, except in the event of death, prior to the time that the Restricted Stock Unit Award vests and is earned and the property in which the Restricted Stock Unit is denominated is distributed to the Participant or the Participant's Beneficiary.

**Section 7.3 Designation of Beneficiaries.** A Participant may file with the Bank a written designation of a beneficiary or beneficiaries under this Plan and may from time to time revoke or amend any such designation. Any designation of beneficiary under this Plan shall be controlling over any other disposition, testamentary or otherwise (unless such disposition is pursuant to a domestic relations order); *provided, however*, that if the Committee is in doubt as to the entitlement of any such beneficiary to any Award, the Committee may determine to recognize only the legal representative of the Participant, in which case the Bank, the Committee and the members thereof shall not be under any further liability to anyone.

**Section 7.4 Non-Exclusivity.** Neither the adoption of this Plan by the Board of Directors nor the submission of the Plan to the stockholders of the Bank for approval shall be construed as creating any limitations on the power of the Board of Directors or the Committee to adopt other incentive arrangements as may be deemed desirable, including, without limitation, the granting of Restricted Stock Awards, Restricted Stock Units or Stock Options and such arrangements may be either generally applicable or applicable only in specific cases.

**Section 7.5 Eligibility for Form and Time of Elections/Notification Under Code Section 83(b).** Unless otherwise specified herein, each election required or permitted to be made by any Participant or other person entitled to benefits under the Plan, and any permitted modification or revocation thereof, shall be filed with the Bank at such times, in such form, and subject to such restrictions and limitations, not inconsistent with the terms of the Plan, as the Committee shall require. Notwithstanding anything herein to the contrary, the Committee may, on the date of grant or at a later date, as applicable, prohibit an individual from making an election under Code Section 83(b). If the Committee has not prohibited an individual from making this election, an individual who makes this election shall notify the Committee of the election within ten (10) days of filing notice of the election with the Internal Revenue Service or as otherwise required by the Committee. This requirement is in addition to any filing and notification required under the regulations issued under the authority of Code Section 83(b).

**Section 7.6 Evidence.** Evidence required of anyone under the Plan may be by certificate, affidavit, document or other written information upon which the person is acting considers pertinent and reliable, and signed, made or presented by the proper party or parties.

**Section 7.7 Tax Withholding.** Where a Participant is entitled to receive shares of Stock upon the vesting or exercise of an Award, the Bank shall have the right to require the Participant to pay to the Bank the amount of any tax that the Bank is required to withhold with respect to the vesting or exercise, or, in lieu thereof, to retain, or to sell without notice, a sufficient number of shares of Stock to cover the amount required to be withheld. To the extent determined by the Committee and/or specified in an Award Agreement, a Participant shall have the right to direct the Bank to satisfy the amount required for federal, state and local tax withholding by: (i) with respect to a Stock Option, reducing the number of shares of Stock subject to the Stock Option (without issuance of such shares of Stock to the Stock Option holder) by a number equal to the quotient of (a) the amount of required tax withholding divided by (b) the excess of the Fair Market Value of a share of Stock on the exercise date over the Exercise Price per share of Stock; and (ii) with respect to Restricted Stock Awards and Restricted Stock Units, withholding a number of shares (based on the Fair Market Value on the vesting date) otherwise vesting that would satisfy the amount of required tax withholding. Provided there are no adverse accounting consequences to the Bank (a requirement to have liability classification of an award under FASB ASC Topic 718 is an adverse consequence), a Participant who is not required to have taxes withheld may require the Bank to withhold in accordance with the preceding sentence as if the Award were subject to tax withholding requirements.

**Section 7.8 Action by Bank or Subsidiary.** Any action required or permitted to be taken by the Bank or any Subsidiary shall be by resolution of its board of directors, or by action of one or more members of the board of directors (including a committee of the board of directors) who are duly authorized to act for the board of directors, or (except to the extent prohibited by applicable law or applicable rules of the Exchange on which the Bank lists its securities) by a duly authorized officer of the Bank or such Subsidiary.

**Section 7.9 Successors.** All obligations of the Bank under the Plan shall be binding upon and inure to the benefit of any successor to the Bank, whether the existence of the successor is the result of a direct or indirect purchase, merger, consolidation or otherwise, of all or substantially all of the business, stock, and/or assets of the Bank.

**Section 7.10 Indemnification.** To the fullest extent permitted by law and the Bank's governing documents, each person who is or shall have been a member of the Committee, or of the Board of Directors, or an officer of the Bank to whom authority was delegated in accordance with Section 5.3, or an Employee of the Bank, shall be indemnified and held harmless by the Bank against and from any loss (including amounts paid in settlement), cost, liability or expense (including reasonable attorneys' fees) that may be imposed upon or reasonably incurred by him in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under the Plan and against and from any and all amounts paid by him in settlement thereof, with the Bank's approval, or paid by him or her in satisfaction of any judgment in any such action, suit, or proceeding against him or her, provided he or she shall give the Bank an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf, unless such loss, cost, liability, or expense is a result of his own willful misconduct or except as expressly provided by statute or regulation. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Bank's charter or bylaws, as a matter of law, or otherwise, or any power that the Bank may have to indemnify them or hold them harmless. The foregoing right to indemnification shall include the right to be paid by the Bank the expenses incurred in defending any such

proceeding in advance of its final disposition, provided, however, that, if required by applicable law, an advancement of expenses shall be made only upon delivery to the Bank of an undertaking, by or on behalf of such persons to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such person is not entitled to be indemnified for such expenses.

**Section 7.11 No Fractional Shares.** Unless otherwise permitted by the Committee, no fractional shares of Stock shall be issued or delivered pursuant to the Plan or any Award Agreement. The Committee shall determine whether cash or other property shall be issued or paid in lieu of fractional shares or whether the fractional shares or any rights thereto shall be forfeited or otherwise eliminated by rounding down.

**Section 7.12 Governing Law.** The Plan, all Awards granted hereunder, and all actions taken in connection herewith shall be governed by and construed in accordance with the laws of the State of New Jersey without reference to principles of conflict of laws, except as superseded by applicable federal law. The federal and state courts located in the State of New Jersey, shall have exclusive jurisdiction over any claim, action, complaint or lawsuit brought under the terms of the Plan. By accepting any Award, each Participant and any other person claiming any rights under the Plan agrees to submit himself and any legal action that brought with respect to the Plan, to the sole jurisdiction of such courts for the adjudication and resolution of any such disputes.

**Section 7.13 Benefits Under Other Plans.** Except as otherwise provided by the Committee or as set forth in a Qualified Retirement Plan, non-qualified plan or other benefit plan, Awards to a Participant (including the grant and the receipt of benefits) under the Plan shall be disregarded for purposes of determining the Participant's benefits under, or contributions to, any Qualified Retirement Plan, non-qualified plan and any other benefit plans maintained by the Participant's employer. The term "Qualified Retirement Plan" means any plan of the Bank or a Subsidiary that is intended to be qualified under Code Section 401(a).

**Section 7.14 Validity.** If any provision of this Plan is determined to be illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts of the Plan, but this Plan shall be construed and enforced as if such illegal or invalid provision has never been included herein.

**Section 7.15 Notice.** Unless otherwise provided in an Award Agreement, all written notices and all other written communications to the Bank provided for in the Plan or in any Award Agreement, shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid (provided that international mail shall be sent via overnight or two-day delivery), or sent by facsimile, email or prepaid overnight courier to the Bank at its principal executive office. Notices, demands, claims and other communications shall be deemed given:

- (a) in the case of delivery by overnight service with guaranteed next day delivery, the next day or the day designated for delivery;
- (b) in the case of certified or registered U.S. mail, five days after deposit in the U.S. mail; or
- (c) in the case of facsimile or email, the date upon which the transmitting party received confirmation of receipt; *provided, however,* that in no event shall any such communications be deemed to be given later than the date they are actually received, provided they are actually received.

In the event a communication is not received, it shall only be deemed received upon the showing of an original of the applicable receipt, registration or confirmation from the applicable delivery service. Communications that are to be delivered by U.S. mail or by overnight service to the Bank shall be directed to the attention of the Bank's Corporate Secretary, unless otherwise provided in the Award Agreement.

**Section 7.16 Forfeiture Events.** The Committee may specify in an Award Agreement that the Participant's rights, payments, and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events include, but are not limited to, termination of employment for Cause, termination of the Participant's provision of Services to the Bank or any Subsidiary, violation of material Bank or Subsidiary policies, breach of noncompetition, confidentiality, or other restrictive covenants that may apply to the Participant, or other conduct of the Participant that is detrimental to the business or reputation of the Bank or any Subsidiary.

**Section 7.17 Awards Subject to Clawback.** Awards granted hereunder are subject to any Clawback Policy that may be adopted by the Bank from time to time, whether pursuant to the provisions of Section 954 of the Dodd-Frank Act, implementing regulations thereunder, or otherwise.

**Section 7.18 Automatic Exercise.** In the sole discretion of the Committee exercised in accordance with Section 5.2(a), any Stock Options that are exercisable but unexercised as of the day immediately before the tenth anniversary of the date of grant (or other expiration date of the Option) may be automatically exercised, in accordance with procedures established for this purpose by the Committee, but only if the Exercise Price is less than the Fair Market Value of a share of Stock on that date and the automatic exercise will result in the issuance of at least one (1) whole share of Stock to the Participant after payment of the Exercise Price and any applicable tax withholding requirements. Payment of the Exercise Price and any applicable tax withholding requirements shall be made by a net settlement of the Stock Option whereby the number of shares of Stock to be issued upon exercise is reduced by a number of shares having a Fair Market Value on the date of exercise equal to the Exercise Price and any applicable tax withholding.

**Section 7.19 Regulatory Requirements.** The grant and settlement of Awards shall be conditioned upon and subject to compliance with Section 18(k) of the Federal Deposit Insurance Act, 12 U.S.C. 1828(k), and the rules and regulations promulgated thereunder.

## **ARTICLE 8 — DEFINED TERMS; CONSTRUCTION**

**Section 8.1** In addition to the other definitions contained herein, unless otherwise specifically provided in an Award Agreement, the following definitions shall apply:

(a) "10% Stockholder" means an individual who, at the time of grant, owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Bank.

(b) "Award" means any Stock Option, Restricted Stock Award or Restricted Stock Unit or any other right or interest relating to Stock or cash, granted to a Participant under the Plan.

(c) "Award Agreement" means the document (in whatever medium prescribed by the Committee and whether or not a signature is required or provided by a Participant) that evidences the terms and conditions of an Award. A copy of the Award Agreement shall be provided (or made available electronically) to each Participant.

(d) "Board of Directors" means the Board of Directors of the Bank.

(e) If the Participant is subject to a written employment agreement (or other similar written agreement) with the Bank or a Subsidiary that provides a definition of termination for "Cause," then, for purposes of this Plan, the term "Cause" shall have meaning set forth in such agreement. In the absence of such a definition, "Cause" means termination because of the employee intentionally engages in dishonest conduct in connection with his performance of services for the Employer resulting in his conviction of or plea of guilty or nolo contendere to a felony; the employee is convicted of, or pleads guilty or nolo contendere to, a felony or any crime involving moral turpitude; the employee willfully fails or refuses to perform his duties under any employment or retention agreement and fails to cure such breach within sixty (60) days following written notice thereof from the Employer; the employee breaches his fiduciary duties to the Employer for personal profit; the employee's willful breach or violation of any law, rule or regulation (other than traffic violations or similar offenses), or final cease and desist order in connection with his performance of services for the Employer; material breach of the Bank's or the Bank's (or other Subsidiary's) Code of Ethics; material violation of the Sarbanes-Oxley requirements for officers of public companies that in the reasonable opinion of the Chief Executive Officer of the Bank or the Bank or the Board of Directors will likely cause substantial financial harm or substantial injury to the reputation of the Bank or the Bank; or willfully engaging in actions that in the reasonable opinion of the Board of Directors will likely cause substantial financial harm or substantial injury to the business reputation of the Bank or the Bank. For an individual who is a non-employee Director, removal for cause under the terms of the charter or by-laws or any law, rule or regulation applicable to the entity upon whose board of directors the individual serves as a non-employee Director.

(f) "Change in Control" has the meaning ascribed to it in Section 4.2.

(g) "Code" means the Internal Revenue Code of 1986, as amended, and any rules, regulations and guidance promulgated thereunder, as modified from time to time.

(h) "Director" means a member of the Board of Directors or of a board of directors of a Subsidiary.

(i) If the Participant is subject to a written employment agreement (or other similar written agreement) with the Bank or a Subsidiary that provides a definition of "Disability" or "Disabled," then, for purposes of this Plan, the terms "Disability" or "Disabled" shall have meaning set forth in that agreement. In the absence of such a definition, "Disability" shall be defined in accordance with the Bank's long-term disability plan. In the absence of a long-term disability plan or to the extent that an Award is subject to Code Section 409A, "Disability" or "Disabled" shall mean that a Participant has been determined to be disabled by the Social Security Administration. Except to the extent prohibited under Code Section 409A, if applicable, the Committee shall have discretion to determine if a Disability has occurred.

(j) "Disinterested Board Member" means a member of the Board of Directors who: (i) is not a current Employee of the Bank or a Subsidiary; (ii) is not a former employee of the Bank or a Subsidiary who receives compensation for prior Services (other than benefits under a tax-qualified retirement plan) during the taxable year; (iii) has not been an officer of the Bank or a Subsidiary; (iv) does not receive compensation from the Bank or a Subsidiary, either directly or indirectly, for services as a consultant or in any capacity other than as a Director except in an amount for which disclosure would not be required pursuant to Item 404 of SEC Regulation S-K in accordance with the proxy solicitation rules of the SEC, as amended or any successor provision thereto; and (v) does not possess an interest in any other transaction, and is not engaged in a business relationship for which disclosure would be required pursuant to Item 404(a) of SEC Regulation S-K under the proxy solicitation rules of the SEC, as amended or any successor provision thereto. The term Disinterested Board Member shall be interpreted in such manner as shall be necessary to conform to the requirements of Rule 16b-3 promulgated under the Exchange Act and the corporate governance standards imposed on compensation committees under the listing requirements imposed by any Exchange on which the Bank lists or seeks to list its securities.

(k) "Dividend Equivalent Rights" means the right, associated with a Restricted Stock Unit, to receive a payment, in cash or Stock, as applicable, equal to the amount of dividends paid on a share of the Bank's Stock, as specified in the Award Agreement.

(l) "Employee" means any person employed by the Bank or a Subsidiary. Directors who are also employed by the Bank or a Subsidiary shall be considered Employees under the Plan.

(m) "Exchange" means any national securities exchange on which the Stock may from time to time be listed or traded.

(n) "Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time.

(o) "Exercise Price" means the price established with respect to a Stock Option pursuant to Section 2.2.

(p) "Fair Market Value" on any date, means: (i) if the Stock is listed on an Exchange, national market system or automated quotation system the, the closing sales price on that Exchange or over such system on that date or, in the absence of reported sales on that date, the closing sales price on the immediately preceding date on which sales were reported; or (ii) if the Stock is not listed on a securities exchange, "Fair Market Value" shall mean a price determined by the Committee in good faith on the basis of objective criteria consistent with the requirements of Code Section 422 and applicable provisions of Code Section 409A.

(q) A termination of employment by an Employee Participant shall be deemed a termination of employment for "Good Reason" as a result of the Participant's resignation from the employ of the Bank or any Subsidiary within ninety (90) days upon the occurrence of any of the following events:

(i) a material diminution in Participant's base compensation;

(ii) a material diminution in Participant's authority, duties or responsibilities;

(iii) a change in the geographic location at which Participant must perform his duties that is more than twenty-five (25) miles from the location of Participant's principal workplace; or

(iv) notwithstanding the foregoing, in the event a Participant is a party to an employment, change in control, severance or similar agreement that provides a definition for "Good Reason" or a substantially similar term, then the occurrence of any event set forth in such definition.



(r) "Immediate Family Member" means with respect to any Participant: (i) any of the Participant's children, stepchildren, grandchildren, parents, stepparents, grandparents, spouses, former spouses, siblings, nieces, nephews, mothers-in-law, fathers-in-law, sons-in-law, daughters-in-law, brothers-in-law or sisters-in-law, including relationships created by adoption; (ii) any natural person sharing the Participant's household (other than as a tenant or employee, directly or indirectly, of the Participant); (iii) a trust in which any combination of the Participant and persons described in section (i) and (ii) above own more than fifty percent (50%) of the beneficial interests; (iv) a foundation in which any combination of the Participant and persons described in sections (i) and (ii) above control management of the assets; or (v) any other corporation, partnership, limited liability Bank or other entity in which any combination of the Participant and persons described in sections (i) and (ii) above control more than fifty percent (50%) of the voting interests.

(s) "Involuntary Termination" means the Termination of Service of a Participant by the Bank or Subsidiary (other than termination for Cause) or termination of employment by an Employee Participant for Good Reason.

(t) "Incentive Stock Option" or "ISO" has the meaning ascribed to it in Section 2.2.

(u) "Non-Qualified Option" means the right to purchase shares of Stock that is either: (i) designated as a Non-Qualified Option, (ii) granted to a Participant who is not an Employee; or (iii) granted to an Employee, but does not satisfy the requirements of Code Section 422.

(v) "Performance Award" means an Award that vests in whole or in part upon the achievement of one or more specified performance measures, as determined by the Committee. The conditions for grant or vesting and the other provisions of a Performance Award (including without limitation any applicable performance measures) need not be the same with respect to each recipient. A Performance Award shall vest, or as to Restricted Stock Units be settled, after the Committee has determined that the performance goals have been satisfied. Notwithstanding anything herein to the contrary, no Performance Award shall be granted under terms that will permit its accelerated vesting upon termination of Service (other than death or Disability or upon an Involuntary Termination following a Change in Control).

Performance measures can include, but are not limited to: book value or tangible book value per share; basic earnings per share (*e.g.*, earnings before interest and taxes, earnings before interest, taxes, depreciation and amortization; or earnings per share); basic cash earnings per share; diluted earnings per share; return on assets; cash return on assets; return on equity; cash return on equity; return on tangible equity; cash return on tangible equity; net income or net income before taxes; net interest income; non-interest income; non-interest expense to average assets ratio; cash general and administrative expense to average assets ratio; efficiency ratio; cash efficiency ratio; operating efficiency ratio; financial return ratios; core earnings, capital; increase in revenue; total stockholder return; total shareholder return including special dividends; net operating income, operating income; net interest margin or net interest rate spread; cash flow; cash earnings; stock price; assets, growth in assets, loans or deposits, asset quality level, charge offs, loan reserves, non-performing assets, loans, deposits, growth of loans, loan production volume, non-performing loans, deposits or assets; non-performing asset ratio; regulatory compliance or safety and soundness; achievement of balance sheet or income statement objectives and strategic business objectives, or any combination of these or other measures.

Performance measures may be based on the performance of the Bank as a whole or on any one or more Subsidiaries or business units of the Bank or a Subsidiary and may be measured relative to a peer group, an index or a business plan and may be considered as absolute measures or changes in measures. The terms of an Award may provide that partial achievement of performance measures may result in partial payment or vesting of the award or that the achievement of the performance measures may be measured over more than one period or fiscal year. In establishing any performance measures, the Committee may provide for the exclusion of the effects of the following items, to the extent the exclusion is set forth in the Award Agreement and identified in the audited financial statements of the Bank, including footnotes, or in the Management's Discussion and Analysis section of the Bank's annual report or in the Compensation Discussion and Analysis Section, if any, of the Bank's annual proxy statement: (i) extraordinary, unusual, and/or nonrecurring items of gain or loss; (ii) gains or losses on the disposition of a business; (iii) dividends declared on the Bank's stock; (iv) changes in tax or accounting principles, regulations or laws; or (v) expenses incurred in connection with a merger, branch acquisition or similar transaction. Subject to the preceding sentence, if the Committee determines that a change in the business, operations, corporate structure or capital structure of the Bank or the manner in which the Bank or its Subsidiaries conducts its business or other events or circumstances render current performance measures to be unsuitable, the Committee may modify such performance measures, in whole or in part, as the Committee deems appropriate. Notwithstanding anything to the contrary herein, performance measures relating to any Award hereunder will be modified, to the extent applicable, to reflect a change in the outstanding shares of Stock of the Bank by reason of any stock dividend or stock split, or a corporate transaction, such as a merger of the Bank into another corporation, any separation of a corporation or any partial or complete liquidation by the Bank or a Subsidiary. If a Participant is promoted, demoted or transferred to a different business unit during a performance period, the Committee may determine that the selected performance measures or applicable performance period are no longer

appropriate, in which case, the Committee, in its sole discretion, may: (i) adjust, change or eliminate the performance measures or change the applicable performance period; or (ii) cause to be made a cash payment to the Participant in an amount determined by the Committee.

(w) "Restricted Stock" or "Restricted Stock Award" has the meaning ascribed to it in Section 2.3(a).

(x) "Restricted Stock Unit" has the meaning ascribed to it in Section 2.4(a).

(y) "Restriction Period" has the meaning set forth in Section 2.4(b)(iii).

(z) "SEC" means the United States Securities and Exchange Commission.

(aa) "Securities Act" means the Securities Act of 1933, as amended from time to time.

(bb) "Service" means service as an Employee or Director of the Bank or a Subsidiary, as the case may be, and shall include service as a director emeritus or advisory director. Service shall not be deemed interrupted in the case of sick leave, military leave or any other absence approved by the Bank or a Subsidiary, in the case of transferees between payroll locations or between the Bank, a Subsidiary or a successor.

(cc) "Stock" means the common stock of the Bank, \$5.00 par value per share.

(dd) "Stock Option" has the meaning ascribed to it in Section 2.2.

(ee) "Subsidiary" means any corporation, affiliate, bank or other entity which would be a subsidiary corporation with respect to the Bank as defined in Code Section 424(f) and, other than with respect to an ISO, shall also mean any partnership or joint venture in which the Bank and/or other Subsidiary owns more than 50% of the capital or profits interests.

(ff) "Termination of Service" means the first day occurring on or after a grant date on which the Participant ceases to be an Employee or Director (including a director emeritus or advisory director) of the Bank or any Subsidiary, regardless of the reason for such cessation, subject to the following:

(i) The Participant's cessation as an Employee shall not be deemed to occur by reason of the transfer of the Participant between the Bank and a Subsidiary or between two Subsidiaries.

(ii) The Participant's cessation as an Employee shall not be deemed to occur by reason of the Participant's being on a bona fide leave of absence from the Bank or a Subsidiary approved by the Bank or Subsidiary otherwise receiving the Participant's Services, provided the leave of absence does not exceed six months, or if longer, so long as the Employee retains a right to reemployment with the Bank or Subsidiary under an applicable statute or by contract. For these purposes, a leave of absence constitutes a bona fide leave of absence only if there is a reasonable expectation that the Employee will return to perform Services for the Bank or Subsidiary. If the period of leave exceeds six months and the Employee does not retain a right to reemployment under an applicable statute or by contract, the employment relationship is deemed to terminate on the first day immediately following the six month period. For purposes of this sub-section, to the extent applicable, an Employee's leave of absence shall be interpreted by the Committee in a manner consistent with Treasury Regulation Section 1.409A-1(h)(1).

(iii) If, as a result of a sale or other transaction, the Subsidiary for whom Participant is employed (or to whom the Participant is providing Services) ceases to be a Subsidiary, and the Participant is not, following the transaction, an Employee of the Bank or an entity that is then a Subsidiary, then the occurrence of the transaction shall be treated as the Participant's Termination of Service caused by the Participant being discharged by the entity by which the Participant is employed or to which the Participant is providing Services.

(iv) Except to the extent Code Section 409A may be applicable to an Award, and subject to the foregoing paragraphs of this sub-section, the Committee shall have discretion to determine if a Termination of Service has occurred and the date on which it occurred. In the event that any Award under the Plan constitutes Deferred Compensation (as defined in Section 2.6), the term Termination of Service shall be interpreted by the Committee in a manner consistent with the definition of "Separation from Service" as defined under Code Section 409A and under Treasury Regulation Section 1.409A-1(h)(ii). For purposes of this Plan, a "Separation from Service" shall have occurred if the employer and Participant reasonably anticipate that no further Services will be performed by the Participant after the date of the Termination of Service (whether as an employee or as an independent contractor) or the level of further Services performed will be less than 50% of the average level of bona fide Services in the 36 months immediately preceding

the Termination of Service. If a Participant is a "Specified Employee," as defined in Code Section 409A and any payment to be made hereunder shall be determined to be subject to Code Section 409A, then if required by Code Section 409A, the payment or a portion of the payment (to the minimum extent possible) shall be delayed and shall be paid on the first day of the seventh month following Participant's Separation from Service.

(v) With respect to a Participant who is a Director, cessation as a Director will not be deemed to have occurred if the Participant continues as a director emeritus or advisory director. With respect to a Participant who is both an Employee and a Director, termination of employment as an Employee shall not constitute a Termination of Service for purposes of the Plan so long as the Participant continues to provide Service as a Director or director emeritus or advisory director.

(gg) "Voting Securities" means any securities which ordinarily possess the power to vote in the election of directors without the happening of any pre-condition or contingency.

**Section 8.2** In this Plan, unless otherwise stated or the context otherwise requires, the following uses apply:

- (a) actions permitted under this Plan may be taken at any time and from time to time in the actor's reasonable discretion;
- (b) references to a statute shall refer to the statute and any successor statute, and to all regulations promulgated under or implementing the statute or its successor, as in effect at the relevant time;
- (c) in computing periods from a specified date to a later specified date, the words "from" and "commencing on" (and the like) mean "from and including," and the words "to," "until" and "ending on" (and the like) mean "to, but excluding";
- (d) references to a governmental or quasi-governmental agency, authority or instrumentality shall also refer to a regulatory body that succeeds to the functions of the agency, authority or instrumentality;
- (e) indications of time of day mean Eastern Time;
- (f) "including" means "including, but not limited to";
- (g) all references to sections, schedules and exhibits are to sections, schedules and exhibits in or to this Plan unless otherwise specified;
- (h) all words used in this Plan will be construed to be of the gender or number as the circumstances and context require;
- (i) the captions and headings of articles, sections, schedules and exhibits appearing in or attached to this Plan have been inserted solely for convenience of reference and shall not be considered a part of this Plan nor shall any of them affect the meaning or interpretation of this Plan or any of its provisions;
- (j) any reference to a document or set of documents in this Plan, and the rights and obligations of the parties under any such documents, shall mean such document or documents as amended from time to time, and any and all modifications, extensions, renewals, substitutions or replacements thereof; and
- (k) all accounting terms not specifically defined herein shall be construed in accordance with GAAP.



### Your vote matters – here’s how to vote!

You may vote online or by phone instead of mailing this card.



**Votes submitted electronically must be received by 11:00 P.M., local time., on April 23, 2024.**

**Online**

Go to [www.investorvote.com/FRBA](http://www.investorvote.com/FRBA) or scan the QR code – login details are located in the shaded bar below.



**Phone**

Call toll free 1-800-652-VOTE (8683) within the USA, US territories and Canada



**Save paper, time and money! Sign up for electronic delivery at [www.investorvote.com/FRBA](http://www.investorvote.com/FRBA)**

Using a **black ink** pen, mark your votes with an **X** as shown in this example. Please do not write outside the designated areas.



## Annual Meeting Proxy Card

▼ IF VOTING BY MAIL, SIGN, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. ▼

### **A** Proposals – The Board of Directors recommends a vote **FOR** all nominees and **FOR** Proposals 2, 3 and 4.

1. Election of Directors:

	For	Withhold		For	Withhold		For	Withhold
01 - Patrick M. Ryan	<input type="checkbox"/>	<input type="checkbox"/>	02 - Leslie E. Goodman	<input type="checkbox"/>	<input type="checkbox"/>	03 - Patrick L. Ryan	<input type="checkbox"/>	<input type="checkbox"/>
04 - Douglas C. Borden	<input type="checkbox"/>	<input type="checkbox"/>	05 - Andrew Fish	<input type="checkbox"/>	<input type="checkbox"/>	06 - Scott R. Gamble	<input type="checkbox"/>	<input type="checkbox"/>
07 - Deborah Paige Hanson	<input type="checkbox"/>	<input type="checkbox"/>	08 - Glenn M. Josephs	<input type="checkbox"/>	<input type="checkbox"/>	09 - Michael E. Salz	<input type="checkbox"/>	<input type="checkbox"/>
10 - Neha Shah	<input type="checkbox"/>	<input type="checkbox"/>	11 - John E. Strydesky	<input type="checkbox"/>	<input type="checkbox"/>			



2. Approval of the First Bank 2024 Equity Incentive Plan.

For	Against	Abstain
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. Advisory vote to approve the 2023 compensation paid to our named executive officers as disclosed in this Proxy Statement.

For	Against	Abstain
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4. Ratify the appointment of BDO USA, LLP as the Bank’s independent registered public accounting firm for the fiscal year ending December 31, 2024.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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1 U P X



# 2024 Annual Meeting Admission Ticket

2024 Annual Meeting of  
First Bank Shareholders

April 24, 2024, 10:00 AM EDT  
The Stone Terrace

2275 Kuser Road, Hamilton, New Jersey 08690

Upon arrival, please present this admission ticket  
and photo identification at the registration desk.



Small steps make an impact.

Help the environment by consenting to receive electronic  
delivery, sign up at [www.investorvote.com/FRBA](http://www.investorvote.com/FRBA)



▼ IF VOTING BY MAIL, SIGN, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. ▼

## Proxy – First Bank



### Notice of 2024 Annual Meeting of Shareholders

#### Proxy Solicited by Board of Directors for Annual Meeting – April 24, 2024

The undersigned hereby appoints the Board of Directors of First Bank and each of them, as Proxies, each with the power to appoint his or her substitute, and hereby authorizes each to represent and to vote all of the shares of common stock of First Bank that the undersigned is entitled to vote at the Annual Meeting of Shareholders to be held at The Stone Terrace, 2275 Kuser Road, Hamilton, NJ 08690 on April 24, 2024 at 10:00 AM, local time and any postponement or adjournment thereof.

**This proxy, when properly executed, will be voted in the manner directed herein by the undersigned. If no such directions are indicated, this proxy will be voted in accordance with the Board of Directors' recommendations.**

**In their discretion, the Proxies are authorized to vote upon such other business as may properly come before the meeting or any adjournment or postponement thereof.**

(Items to be voted appear on reverse side.)

#### **B** Authorized Signatures – This section must be completed for your vote to be counted. – Date and Sign Below

Please sign exactly as name(s) appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, corporate officer, trustee, guardian, or custodian, please give full title.

Date (mm/dd/yyyy) – Please print date below.

Signature 1 – Please keep signature within the box.

Signature 2 – Please keep signature within the box.

#### **C** Non-Voting Items

**Change of Address** – Please print new address below.

**Comments** – Please print your comments below.

