

## **SKY FINANCIAL GROUP, INC.**

### **COMPENSATION COMMITTEE CHARTER**

#### **Statement of Purpose**

The Compensation Committee shall provide assistance to the Board of Directors of Sky Financial Group, Inc. and its consolidated subsidiaries (the “Company”) in fulfilling its responsibilities regarding the following: the compensation of the Chief Executive Officer; the compensation of the Company’s Executive Management Team and certain other senior officers, including overseeing the administration of the Company’s employee benefit and corporate executive incentive plans, policies, practices, and programs; the compensation of the directors; and such other duties, responsibilities and activities as may be set forth in this charter or directed by the Board.

#### **Composition and Membership**

The Compensation Committee shall be comprised solely of at least three (3) Directors. Each member of the Committee shall be (i) “independent” under the applicable requirements of the National Association of Securities Dealers, as interpreted by the Board of Directors of the Company, (ii) “independent” as defined under Rule 10A-3 of the Securities Exchange Act of 1934, and (iii) a “non-employee” director as defined under Section 16b-3 under the Securities Exchange Act of 1934. It shall be the responsibility of the Company’s Board of Directors to determine, in its judgment, whether a member is independent of management and free from any relationship or service to the Company that might interfere with their exercise of independent judgment in carrying out their responsibilities as a Committee member.

It shall be the responsibility of each Director to immediately disclose to the Compensation Committee Chairman any relationship that, either in fact or in appearance, might impact the independent judgment of the Director in their service as a member of the Compensation Committee.

Notwithstanding the above independence requirements, one Director who is not a current employee or an immediate family member of an employee may be appointed to the Compensation Committee if the Board, under exceptional and limited circumstances, determines that membership on the Committee by the Director is required by the best interests of the Company and its shareholders. If such a Director is appointed to the Compensation Committee, the Company shall disclose the nature of the Director’s relationship and the reasons for the Board’s determination in the next annual proxy statement subsequent to such determination.

Appointments to the Committee shall be made by the Board, at the joint recommendation of the Chairman and the Lead Director of the Board and shall conform to the Company’s Code of Regulations and all applicable legal and regulatory criteria, as appropriate under the

circumstances. Members shall be appointed annually for a term of one (1) year. The Chairman of the Committee will be chosen by the Board, at the joint recommendation of the Chairman and Lead Director of the Board. The Chairman shall preside over the meetings of the Committee and may call special meetings, in addition to those regularly scheduled, and will report to the Board the actions and recommendations of the Committee.

The Committee may have in attendance such representatives of Company management, consultants, advisors, or others as it may deem necessary to provide the necessary information to carry out its duties.

### **Responsibilities and Authorized Actions**

In fulfilling its responsibilities, the Compensation Committee shall be responsible for and authorized to carry out the following functions:

- In consultation with senior management, to approve the Company's executive compensation philosophy and to oversee and monitor the Company's executive compensation policies, plans, and programs for Executive Management Team members and certain other officers to ensure that they are consistent with the Board's compensation philosophy and objectives, as well as the long-term interests of the Company's shareholders.
- To annually review and approve the corporate goals and objectives relevant to the compensation of the Chief Executive Officer (the "CEO").
- To recommend to the Board of Directors for approval the compensation, including any incentive compensation, of the CEO; and, with respect to any incentive compensation, consider all relevant factors, including the Company's performance based on certain financial measures chosen by the Committee, relative stockholder return, the value of similar awards to chief executive officers at comparable companies, the awards given to the CEO in past years and such other factors as the Committee deems appropriate.
- To annually review, and endorse to the Board as appropriate, the compensation, including incentive compensation, for the Executive Management Team members and certain other officers.
- To provide and approve the annual report of the Committee for inclusion in the Company's annual proxy statement in accordance with applicable rules and regulations.
- To review, approve and recommend to the Board, as appropriate, any new incentive compensation plans, including equity-based plans, and, as may be required, any amendments to existing plans relative to the Executive

Management Team and certain other officers.

- To act as the administrative committee for the Company's employee stock option, stock incentive, and stock purchase plans, with the authority delegated to it under the terms of the plan(s).
- To review and approve, as appropriate, employment agreements or change in control agreements, including any contractual commitments with the Executive Management Team and certain other senior officers of the Company.
- To review and approve severance agreements relative to Executive Management Team members.
- To review and make policy recommendations from time to time with respect to various benefit plans including health & welfare as well as retirement plans and, at the Committee's discretion, convey appropriate decision-making and administrative authority to the Company's Benefits Plan Committee.
- To review and evaluate the compensation of the Board, including the appropriate mix of cash compensation and equity compensation, and to recommend any changes in Board compensation.
- To review and assess the adequacy of the Charter.
- To discharge any other duties, responsibilities or activities delegated to the Committee by the Board from time to time or by any of the Company's benefit and incentive plans.

The Committee will have access to information necessary to evaluate and administer the compensation and benefit programs of the corporation. Information includes compensation and benefits histories, competitive data, competitive performance data, and technical summaries of relevant tax, accounting, and legal codes. This may be through Finance, Human Resources, Legal or independent advisors.

In order to carry out its duties under the Charter, the Committee is authorized to select, retain, terminate and approve the fees and other retention terms of counsel, experts or consultants, as the Committee deems appropriate, without seeking the approval of management or the Board of Directors. The Company shall provide for appropriate funding for the payment of any such fees.

The Committee may, at its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee. In addition, consistent with applicable law, regulations and the Company's benefit and incentive plans, the Committee may delegate certain of its authority to the CEO, a designee, or other appropriate members of management, including with respect to matters relating to the

compensation, or election as officers, of the Company's employees other than the Company's executive officers.

### **Meetings**

The Compensation Committee shall meet as frequently as the Committee shall deem necessary, but no less than four (4) times per year. Special meetings may be called by the Committee Chairman as deemed necessary. The operation of the Committee, including matters with respect to written actions without a meeting, waiver of notice, quorums and voting requirements, shall be governed by the Company's Code of Regulations and Bylaws.

### **Reporting to Board of Directors**

The Committee shall report as to its activities to the Board of Directors and, where appropriate, its recommendations for action by the Board at their next meeting subsequent to that of the Committee. Certain action by the Committee may be similarly reported to the Board of Directors for approval or ratification.

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