

## **FIRST FINANCIAL BANCORP. COMPENSATION COMMITTEE CHARTER**

### **Purpose**

The Compensation Committee has the responsibility to oversee, administer and approve compensation policies and programs for certain executives and directors.

### **Membership**

The Committee will be composed of at least three directors, all of whom satisfy the definition of “independent” under the applicable rules of the National Association of Securities Dealers, Inc. All Committee members shall also be “non-employee directors” as defined by Rule 16b-3 under the Securities Exchange Act of 1934. The Committee members will be appointed by the Board and may be removed by the Board in its discretion. The Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate, provided, that the subcommittees are composed entirely of independent directors.

The Committee may be assisted by senior management for human resources of the Company and its affiliates, who may provide the Committee such information, reports and recommendations as will assist the Committee in fulfilling its duties and responsibilities.

### **Meetings**

The Committee shall meet as often as its members deem necessary to perform the Committee’s responsibilities.

### **Committee Authority and Responsibilities**

The Committee will have the authority, to the extent that it deems necessary or appropriate, to retain a compensation consultant(s) to assist in the evaluation of director, chief executive officer (“CEO”) or senior executive compensation. The Committee shall have sole authority to retain and terminate any such consulting firm, including the sole authority to approve the firm’s fees and other retention terms. The Committee shall also have authority, to the extent that it deems necessary or appropriate, to retain other advisors. The Company will provide for appropriate funding, as determined by the Committee, for the payment of compensation to any consulting firm or other advisors employed by the Committee.

The Committee, through the Committee chair, will report periodically to the full Board of Directors. The Committee will review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Committee will annually evaluate the Committee’s own performance.

The Committee will:

- Review and approve the Company's goals and objectives relevant to the CEO's compensation, evaluate the CEO's performance in light of those goals and objectives, and determine and approve CEO compensation level based on this evaluation.
- Review and approve the compensation (including salaries and PIC awards) of the four additional officers who, excluding the CEO, are the most highly compensated officers of the Company and any other officers covered by Rule 16a-1(f) under the Securities Exchange Act of 1934 (collectively, the "Senior Executive Officers").
- Review and approve any employment agreements with the CEO and the Senior Executive Officers.
- Fulfill, through a subcommittee consisting entirely of "outside directors" as defined by Section 162(m) of the Internal Revenue Code, the duties required by the terms of the 1999 Stock Incentive Plan for Officers and Employees, the Deferred Compensation Plan and such other compensatory plans as may from time to time require supervision by a committee of "outside directors."
- Review and recommend major or special changes in existing retirement and benefit plans that apply to a significant number of employees or have a significant impact on the Company's profits.
- Produce a Compensation Committee Report on executive compensation for inclusion in the proxy statement as required by SEC Rules.
- Review and evaluate director compensation policies for directors and, as appropriate, recommend changes to the Board of Directors.

The Committee may receive and act upon recommendations from the CEO and such other consultants and advisors as the Committee deems appropriate, except that (i) the CEO cannot participate in the deliberations and approval process with respect to the CEO's compensation, and (ii) the CEO may not vote, but may participate in the deliberations process, with respect to the compensation of all other officers.

Adopted January 27, 2004