

CAPITAL CROSSING BANK

COMPENSATION COMMITTEE CHARTER

I. General Statement of Purpose

The Compensation Committee of the Board of Directors of Capital Crossing Bank (the “Bank”), on behalf of the Board, discharges the Board’s responsibilities relating to compensation of the Bank’s directors and executives, oversees the Bank’s overall compensation programs and is responsible for producing an annual report on executive compensation for inclusion in the Bank’s proxy statement relating to its annual meeting of stockholders.

II. Committee Composition

The number of individuals serving on the Committee shall be fixed by the Board from time to time but shall consist of no fewer than two members, all of whom shall meet the independence requirements established pursuant to Rule 4200(a)(15) of the Marketplace Rules of the National Association of Securities Dealers, Inc. Members of the Committee may be replaced or removed by the Board at any time with or without cause. Resignation or removal of a Director from the Board, for whatever reason, shall automatically constitute resignation or removal, as applicable, from the Committee. Vacancies occurring on the Committee, for whatever reason, may be filled by the Board. The Board shall designate one member of the Committee to serve as Chairman of the Committee.

III. Meetings

The Committee shall meet annually, or as deemed necessary or appropriate by the Committee, in person or by conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, with any additional meetings as deemed necessary or appropriate by the Committee. A majority of the members of the Committee shall constitute a quorum for purposes of holding a meeting and the Committee may act by a vote of a majority of members present at such meeting. In lieu of a meeting, the Committee may act by unanimous written consent. The Chief Executive Officers may not be present during voting or deliberation concerning their compensation.

IV. Committee Activities

The Committee’s responsibilities shall be to:

- *Compensation of Executive Officers:* Review and approve goals and objectives relevant to the compensation of the Chief Executive Officers and any other individual who is an “officer” as such term is defined in Rule 16a-1 promulgated under the Securities Exchange Act of 1934 (collectively, the “Executive Officers”), evaluate their performance in light of those goals and objectives and determine their compensation based on this evaluation. When approving the compensation of the Chief Executive Officers, the Committee shall determine the amount of any Discretionary Bonus (as such term is defined in each officer’s

Employment Agreement effective January 1, 1995, as amended and restated as of December 21, 2000, and amended as of November 29, 2001, January 1, 2002 and January 1, 2004). When determining any compensation hereunder, the Committee shall consider the value of any incremental cost incurred by the Bank from the Executive Officer's personal use of the Bank's corporate aircraft.

- *Deferred Compensation Plans:* Determine which individuals are eligible to participate in the Bank's Deferred Compensation Plan and Non-Employee Director Deferred Compensation Plan and administer these plans. The Committee delegates the authority to administer these plans to the Bank's Human Resources Department and the Corporate Counsel.
- *Agreements; Benefits:* Review and approve employment agreements, severance agreements, retirement arrangements, change in control agreements/provisions, and any special or supplemental benefits for the Executive Officers.
- *Director Fees:* Approve any compensation paid to the non-employee Directors.
- *Stock Incentive Plan:* Administer the Bank's stock incentive plan and approve stock options grants to employees of the Bank. The Committee may delegate to one or both of the Chief Executive Officers authority to approve such stock option grants other than the Chief Executive Officers. The Committee delegates the authority to administer the stock incentive plan to the Bank's Human Resources Department and the Corporate Counsel.
- *Review Charter:* Review and reassess the adequacy of this Charter annually and submit any proposed changes to the Board for approval.
- *Annual Report:* Produce an annual report on executive compensation for inclusion in the Bank's proxy statement relating to its annual meeting of stockholders in accordance with applicable rules and regulations.
- *Annual Evaluation.* Evaluate the performance of the Committee annually and report to the Board about such evaluation.

V. General

- Promptly following each meeting of the Committee, the Committee shall inform the Board of the issues discussed and the matters approved at such meeting.
- In carrying out its responsibilities, the Committee shall be entitled to rely upon advice and information that it receives in its discussions and communications with management and such experts, advisors and professionals with whom the Committee may consult. The Committee shall have the authority to request that any officer or employee of the Bank, the Bank's outside legal counsel, the Bank's

independent auditor or any other professional retained by the Bank to render advice to the Bank attend a meeting of the Committee or meet with any members of or advisors to the Committee. The Committee shall also have the authority to engage legal, accounting or other advisors at the Bank's expense to provide it with advice and information in connection with carrying out its responsibilities and shall have sole authority to approve any such advisor's fees and other retention terms.

- The Committee may perform such other functions as may be requested by the Board from time to time.

ADOPTED: November 9, 2004