

Governance Principles

Independent Bank Corp. and Rockland Trust Company, its sole banking subsidiary, exist for the benefit of four key constituencies: the shareholders of Independent Bank Corp.; the customers of Rockland Trust; the communities that Rockland Trust serves; and, the employees of Rockland Trust. The primary mission of the Board of Directors is to perpetuate the success of Independent Bank Corp. so as to provide long-term financial returns for its shareholders. The Board of Directors, however, also recognizes that they enhance the long-term value of Independent Bank Corp. for its shareholders through responsibly addressing the needs and concerns of the customers, communities, and employees that comprise Rockland Trust.

The Board of Directors has approved the following principles to provide the framework for the governance of Rockland Trust. These governance principles, together with the charters and key practices of the Board and its committees, will direct the Board in discharging its responsibilities.

1. Role of Board and Management. Officers and employees conduct the business of Rockland Trust, under the direction of the chief executive officer (“CEO”). The Board of Directors provides oversight of the CEO, and the rest of management, to insure that the long-term interests of shareholders are being served. In addition to its general oversight of the CEO and management, the Board also performs a number of specific functions, including:

- selecting, evaluating, and compensating the CEO and overseeing CEO succession planning;
- reviewing, monitoring, and, when necessary or appropriate, approving fundamental financial and business strategies and major corporate actions;
- assessing major risks facing Rockland Trust -- and reviewing options for their mitigation; and,
- maintaining the integrity of financial statements and the integrity of Rockland Trust’s compliance with law and ethics.

Directors have a duty to be, and remain, informed about the essential information needed to perform their duties, and to request additional information from the CEO, and the rest of management, when they believe it to be necessary or advisable.

The Board believes that the CEO, management, and other officers or employees should speak for Independent Bank Corp. and Rockland Trust Company. Directors will therefore refer any requests for information or comment from investors, the press, customers, and/or other outside constituencies to the CEO and management. The Boards of Directors of both Independent Bank Corp. and Rockland Trust Company are currently comprised of the following 15 individuals:

Donna L. Abelli, Chairman of the Board
Richard S. Anderson, Chairman of Governance and Nominating Committee
William P. Bissonnette
Benjamin A. Gilmore, Chairman of Compensation Committee
Kevin J. Jones, Chairman of Executive Committee
Eileen C. Miskell, Chairman of Audit Committee
John J. Morrissey
Daniel F. O'Brien
Christopher Oddleifson, CEO
Carl Ribeiro
Richard H. Sgarzi
John H. Spurr, Jr.
Robert D. Sullivan, Vice-Chairman of Audit Committee
Brian S. Tedeschi
Thomas R. Venables, Chairman of Trust Committee

2. Meetings of the Board. The Board of Directors has 12 regularly scheduled meetings a year. The Board may also schedule additional special meetings when the Board deems it necessary or advisable to do so. When the Board meets it shall review and discuss reports by management on the performance of Rockland Trust. The Board shall also review and discuss the future business plans of Rockland Trust, and any major issues immediately facing Rockland Trust, on a periodic basis. Directors are expected to attend all regularly scheduled Board meetings and, in the absence of extenuating circumstances, to attend at least 75% of the Board meetings held in a year. Directors are expected to strive to attend any additional special meetings which are held. Directors will keep the contents of Board meetings confidential.

3. Meetings of Non-Employee Directors. The Board will have at least two regularly scheduled meetings a year for the non-employee Directors, without the CEO or management present. The non-employee Directors may also schedule additional special meetings without the CEO or management present when the Board deems it necessary or advisable to do so.

4. Setting Board Agenda. The Chairman of the Board and the CEO together share responsibility for preparing the agenda for Board meetings. Each Director is free to suggest the inclusion of items on the agenda or to raise at any Board meeting subjects for discussion that are not on the agenda for the meeting.

5. Director Qualifications. Directors should, as a result of their occupation, background, and/or experience, possess a mature business judgment that enables them to make a positive contribution to the Board. Directors are expected to bring an inquisitive and objective perspective to their duties. Directors should possess, and demonstrate through their actions on the Board, exemplary ethics, integrity, and values.

Directors will be ineligible to continue to serve on the Board once they attain the age of 72. Directors who attain the age of 72 during their elected term as a Director will retire from the Board upon reaching the age of 72.

Aside from any stock ownership requirements that are imposed by law, Directors are not required to own any minimum amount of Independent Bank Corp. stock in order to be qualified for Board service. Director ownership of Independent Bank Corp. stock, however, is strongly encouraged.

While familiarity with the communities that Rockland Trust serves is one factor to be considered in determining if an individual is qualified to serve as a Director, it is not a controlling factor. It is the sense of the Board, however, that a significant portion of the Directors should represent or be drawn from the communities that Rockland Trust serves.

Customers of Rockland Trust, if otherwise qualified, may be considered for Board membership. A customer relationship, however, will be a secondary criteria considered in evaluating a Director candidate in addition to other relevant considerations.

Directors must be willing to devote sufficient time to carrying out their duties and responsibilities effectively, and should be committed to serve on the Board for an extended period of time. Directors should offer their resignation in the event of any significant change in circumstances that renders them incapable of performing their duties.

6. Independence of Directors. At least a majority of the Board of Directors will be independent Directors under the NASDAQ rules, applicable law, and the following guidelines. Independent Bank Corp. will strive at all times to have at least two-thirds of the Board be independent.

Directors will be considered independent if: they are not currently, and have not been within the preceding 3 years, an officer or employee of Independent Bank Corp. or Rockland Trust Company; and, if they do not have a relationship with Independent Bank Corp. or Rockland Trust Company that would interfere with the exercise of independent judgment in carrying out their responsibilities as a Director. The Board has established the following guidelines to assist it in determining whether Directors have a relationship with Independent Bank Corp. or Rockland Trust Company that would impair their independence:

- **Director Payments.** A Director will not be considered independent if in the current or any of the past three fiscal years the Director, or a “Family Member” of the Director, has accepted payments from Independent Bank Corp. or Rockland Trust Company during any period of twelve consecutive months in excess of One Hundred and Twenty Thousand Dollars (\$120,000.00). A “Family Member” of a Director will include a Director’s spouse, parents, children, and siblings, whether by blood, marriage or adoption, (including mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, stepparents and stepchildren), and anyone (other than a tenant or a domestic employee) residing in the Director’s home. The following types of payments, however, will not be included for purposes of computing the \$120,000 threshold: compensation

for Board or Board committee service; payments arising solely from investments in the securities of Independent Bank Corp. or its subsidiaries; compensation paid to a Family Member who is not an “Executive Officer” of Independent Bank Corp. or Rockland Trust Company within the meaning of Section 16 of the Securities Exchange Act of 1934 (the “Exchange Act”); benefits received under a tax-qualified retirement plan or non-discretionary compensation; or, loans permitted under Section 13(k) of the Exchange Act.

- **Director Entity Payments.** A Director will also not be considered independent if, in the current or any of the past three fiscal years, a related “Director Entity” either made payments to, or received payments from, either Independent Bank Corp. or Rockland Trust Company in an amount which either exceeds 5% of the Director Entity's consolidated gross revenue or Two Hundred Thousand Dollars (\$200,000.00), whichever is more. A “Director Entity” is defined as any commercial or charitable entity where the Director, or any Family Member of the Director, is a partner (other than a limited partner), a controlling shareholder, or an Executive Officer. The following types of payments, however, will not be included for purposes of computing the \$200,000 threshold: payments arising solely from investments in the securities of Independent Bank Corp. and its subsidiaries; or, payments made under non-discretionary charitable contribution matching programs.
- **Other Director Independence Considerations.** A Director will also not be considered independent if, within the preceding 3 years: (a) the Director was employed by Independent Bank Corp. or Rockland Trust Company; (b) a Family Member of the Director was employed as an Executive Officer of Independent Bank Corp. or Rockland Trust Company within the meaning of Section 16 the Exchange Act; (c) the Director, or a Family Member of the Director, was employed by Independent Bank Corp.'s independent auditor and worked on Independent Bank Corp.'s audit or is a current partner of Independent Bank Corp.'s independent auditor; or, if (d) an Independent Bank Corp. or Rockland Trust Company Executive Officer currently serves on the compensation committee of a company which employed the Director, or a Family Member of the Director, as an “Executive Officer.”

Any loans made to a Director, or any Family Member of a Director, that are approved in accordance with the procedures established under Federal Reserve Board Regulation O with respect to loans to “insiders” will not be considered to impair a Director's independence. The Board will review all commercial and charitable relationships of Directors on an annual basis, and will disclose to the public annually whether Directors meet these categorical independence tests.

7. Size of Board. The Board currently believes that the size of the Board should be in the range of 10 to 15 directors.

8. Board Committees. The Boards of Directors of Independent Bank Corp. and Rockland Trust Company have jointly established the following Committees to assist the Board in discharging its responsibilities: (i) Executive; (ii) Audit; (iii) Compensation; and, (iv) Nominating And Corporate Governance. The Rockland Trust Company Board of Directors has, in addition, also formed a Trust Committee. The current charters of these Committees are

available through the Rockland Trust website, and will be mailed to shareholders on written request. The Directors currently appointed to these Committees are as follows:

Audit Committee:

Eileen C. Miskell, CPA, Chairman
Robert D. Sullivan, Vice-Chairman
Daniel F. O'Brien, CPA
Carl Ribeiro

Compensation Committee:

Benjamin A. Gilmore, II, Chairman
Donna L. Abelli
Kevin J. Jones
Eileen C. Miskell

Executive Committee (Permanent Members):

Kevin J. Jones, Chairman
Donna L. Abelli
Christopher Oddleifson, CEO

Executive Committee (Rotating Members):

Richard S. Anderson
William P. Bissonnette
Benjamin A. Gilmore, II
Eileen C. Miskell
John J. Morrissey
Daniel F. O'Brien
Carl Ribeiro
Richard H. Sgarzi
John H. Spurr, Jr.
Robert D. Sullivan
Brian S. Tedeschi
Thomas R. Venables

Nominating and Corporate Governance Committee:

Richard S. Anderson, Chairman
Donna L. Abelli
Kevin J. Jones
Eileen C. Miskell

Trust Committee (Permanent Members):

Thomas R. Venables, Chairman
Christopher Oddleifson, CEO
Kevin J. Jones

Trust Committee (Rotating Members):

Donna L. Abelli
Richard S. Anderson
William P. Bissonnette
Benjamin A. Gilmore, II
Eileen C. Miskell
John J. Morrissey
Daniel F. O'Brien
Carl Ribeiro
Richard H. Sgarzi
John H. Spurr, Jr.
Robert D. Sullivan
Brian S. Tedeschi

9. Access to Independent Advisors. The Board and its Committees shall have the right at any time to retain independent outside financial, legal, or other advisors.

10. Indemnification. The Directors shall be entitled to have Independent Bank Corp. and Rockland Trust Company purchase Directors' and Officers' liability insurance on their behalf and to the benefits of indemnification and/or exculpation to the full extent permitted by law, the articles of organization, and/or by-laws.

11. Director Orientation And Continuing Education. The General Counsel and the Chief Financial Officer shall be responsible for providing an orientation for new Directors, and for periodically providing materials or briefing sessions for all Directors on subjects that would assist them in discharging their duties. Independent Bank Corp. and Rockland Trust Company shall also provide continuing education opportunities for Directors.