



# EXECUTIVE PAY SCORECARD<sup>SM</sup>

Data & analysis provided by GMI-The Independent Leader in Corporate Governance and ESG&A


6 Feb 2012

## Franklin Financial Corporation

FRNK NASDAQ

**Banks** Market Capitalization USD: **\$157.90 mm**

**CONCERN LEVEL: LOW**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

**CEO: Richard T. Wheeler**

**Age: 64 CEO Since:**

	2009	2010	2011
Base Salary			\$235,800
Discretionary Bonus			\$11,790
Annual Cash Incentive			\$0
Benefits and Perquisites			\$12,924
<b>TOTAL ANNUAL COMPENSATION</b>			<b>\$260,514</b>
Increase in Post-Retirement Benefits			\$188,980
Stock Option Awards			\$0
Stock Awards			\$0
<b>TOTAL COMPENSATION</b>			<b>\$449,494</b>
Median of Other Named Executive Officers Total Compensation			\$260,925
Value Realized on Exercise of Stock Option			\$0
Value Realized on Vesting of Stock			\$0
<b>TOTAL REALIZED EQUITY COMPENSATION</b>			<b>\$0</b>

Proxy Date: 12 Jan 2012

Annual Meeting Date: 21 Feb 2012

Equity Reserves:

Stock Option Run Rate:

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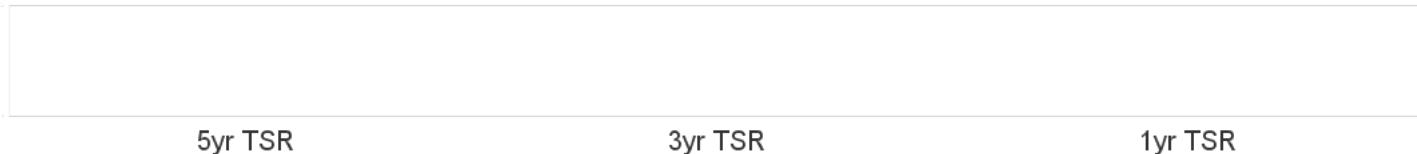
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## Performance Comparison

■ vs S&P500    ■ vs Industry    ■ FRNK



## Peer Comparisons (TRBC) =Banks

### Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
<b>FRNK</b>	<b>Franklin Financial Corporation</b>			<b>\$449,494</b>	<b>\$157,903,331</b>
INDB	Independent Bank Corp.	\$1,924,710	\$1,982,595		\$466,642,599
WSBC	WesBanco, Inc.	\$518,397	\$874,315		\$460,954,221
FIBK	First Interstate BancSystem, Inc.	\$1,353,082	\$783,245		\$460,003,207
BPFH	Boston Private Financial Holdings, Inc.	\$2,109,286	\$3,336,842		\$458,824,167
BRKL	Brookline Bancorp, Inc.	\$858,178	\$1,057,940		\$456,462,431
STBA	S&T Bancorp, Inc.	\$585,517	\$809,379		\$453,790,430

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

### Pay Peer Group

In 2011, we used the Virginia Bankers Association compensation survey for purposes of benchmarking base salaries for our named executive officers.

McLagan will provide the Compensation Committee with peer group data and recommendations that can be used to develop compensation programs that support our strategies as a public company.

### Performance Peer Group

NA

## COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Elizabeth W. Robertson	Chairman	58	Female	2	Outside
Georae L. Scott	Member	65	Male	2	Outside
Huah T. Harrison	Member	57	Male	2	Outside
Percy Wootton	Member	79	Male	2	Outside