



AMENDED AND RESTATED AUDIT AND RISK COMMITTEE CHARTER

The Audit and Risk Committee (the “*Committee*”) is a standing committee of the Board of Directors (the “*Board*”) of U.S. Century Bank (the “*Bank*”).

1.0. PURPOSE AND CERTAIN CONSIDERATIONS

A. The Committee assists the Board in (1) overseeing the operation of a comprehensive system of internal controls covering the integrity of the Bank’s financial statements and reports, compliance with laws, regulations, and corporate policies, and the qualification, performance and independence of the Bank’s registered public accounting firm which serves as the Bank’s independent auditors (the “*Independent Auditor*”), and (2) fulfilling its oversight responsibilities relating to the Bank’s assessment and management of risk.

B. The Committee is responsible for preparing an audit committee report (the “*Audit Committee Report*”) to be included in the Bank’s proxy statement as required by the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”), and the rules and regulations of the Federal Deposit Insurance Corporation (the “*FDIC*”).

C. The Committee acts on behalf of the Board in monitoring and overseeing internal audits and the independent auditors and monitoring communication with bank regulatory authorities.

D. While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Bank’s financial statements are complete and accurate and are in accordance with generally accepted accounting principles (“*GAAP*”), or to certify that the Bank’s internal controls over financial reporting are effective. This is the responsibility of the Bank’s management and the independent auditors. Nor is it the duty of the Committee to guarantee the independent auditors’ reports or to assure compliance with laws and regulations or compliance with the Bank’s Code of Ethics and Business Conduct. The primary responsibility for these matters rests with the Bank’s management.

2.0. COMMITTEE QUALIFICATIONS AND MEMBERSHIP

The Committee shall consist of three or more members, each of whom shall be directors serving on the Board. Each member of the Committee shall satisfy the independence, financial literacy, experience and other requirements for audit committee members, subject to any exceptions permitted by these requirements, imposed by:

- (a) the listing rules of the NASDAQ Stock Market;
- (b) the Exchange Act, and the rules and regulations of Securities and Exchange Commission (the “*SEC*”) promulgated thereunder (including Rule 10A-3(b)(1)), which apply to the Bank through FDIC rules;
- (c) 12 C.F.R Part 363 of the FDIC’s Rules and Regulations (“*Part 363*”); and



- (d) any other laws, rules or regulations applicable to the Bank.

To that end, no member of the Committee can have participated in the preparation of the Bank's financial statements at any time during the past three years. Each member of the Committee must be able to read and understand fundamental financial statements, including the Bank's balance sheet, income statement and statement of cash flows. At least one member of the Committee must have past employment experience in finance or accounting, requisite professional certification in accounting or other comparable experience or background that leads to financial sophistication. At least two members of the Committee shall have banking or related financial management experience if so required under Part 363.

The members of the Committee shall be appointed by the Board upon the recommendation of the Nominating and Corporate Governance Committee and shall serve at the discretion of the Board. The Board may fill vacancies on the Committee as provided herein and remove a member of the Committee in its discretion, at any time, with or without cause. The Board upon recommendation of the Nominating and Corporate Governance Committee shall designate a member of the Committee as the Chair.

3.0. COMMITTEE AUTHORITY AND RESPONSIBILITIES

A. In connection with overseeing the Bank's relationship with its Independent Auditor and any other registered public accounting firm engaged, the Committee shall have the following authority and responsibilities:

(a) To (1) select and retain a registered public accounting firm to serve as the Independent Auditor for the purpose of auditing the Bank's annual financial statements, books, records, accounts and/or internal controls over financial reporting, (2) set the compensation of the Bank's Independent Auditor, (3) oversee the work done by the Independent Auditor and (4) terminate the Independent Auditor, if necessary. The Independent Auditor will report directly to the Committee.

(b) To select, retain, compensate, oversee, and terminate, if necessary, any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Bank.

(c) To determine and approve engagements of the Independent Auditor or any other registered public accounting firm, prior to commencement of such engagements, to perform all proposed audit, review and attest services, including the scope of and plans for the audit, the adequacy of staffing, the compensation to be paid, at the Bank's expense, to the accounting firms, and the negotiation and execution on behalf of the Bank of the accounting firms' engagement letters, which approval may be pursuant to preapproval policies and procedures established by the Committee consistent with applicable laws and rules, including the delegation of preapproval authority to one or more Committee members so long as any such preapproval decisions are presented to the full Committee at the next scheduled meeting.



(d) To determine and approve engagements of the Independent Auditor or any other registered public accounting firm, prior to commencement of such engagements (unless in compliance with exceptions available under applicable laws and rules related to immaterial aggregate amounts of services), to perform any proposed permissible non-audit services, including the scope of the service and the compensation to be paid therefor, at the Bank's expense, which approval may be pursuant to preapproval policies and procedures established by the Committee consistent with applicable laws and rules, including the delegation of preapproval authority to one or more Committee members so long as any such preapproval decisions are presented to the full Committee at the next scheduled meeting.

(e) At least annually, to obtain and review a report by the Independent Auditor that describes (1) the accounting firm's internal quality control procedures, (2) any issues raised by the most recent internal quality control review, peer review or Public Company Accounting Oversight Board ("*PCAOB*") review or inspection of the Independent Auditor or by any other inquiry or investigation by governmental or professional authorities in the past five years regarding one or more audits carried out by the Independent Auditor and any steps taken to deal with any such issues, and (3) all relationships between the Independent Auditor and the Bank or any of its subsidiaries, and to discuss with the Independent Auditor this report and any relationships or services that may impact the objectivity and independence of the Independent Auditor.

(f) At least annually, to evaluate the qualifications, performance, and independence of the Independent Auditor, including an evaluation of the lead audit partner; and to assure the regular rotation of the lead audit partner, the concurring audit partner and the other audit partner at the Independent Auditor as required by applicable law and consider regular rotation of the accounting firm serving as the Independent Auditor.

(g) To review and discuss with the Independent Auditor (1) the auditors' responsibilities under generally accepted auditing standards and the responsibilities of management in the audit process, (2) the overall audit strategy, (3) the scope and timing of the annual audit, (4) any significant risks identified during the auditors' risk assessment procedures and (5) when completed, the results, including significant findings and recommendations, of the annual audit.

(h) To review and discuss with the Independent Auditor (1) all critical accounting policies and practices to be used in the audit, (2) all alternative treatments of financial information within GAAP that have been discussed with management, the ramifications of the use of such alternative treatments and the treatment preferred by the auditors, and (3) other material written communications between the auditors and management.

(i) To review and discuss with the Independent Auditor and management (1) any audit problems or difficulties, including difficulties encountered by the Independent Auditor during their audit work (such as restrictions on the scope of their activities or their access to information) or recommendations to address any such problems or difficulties, (2) any significant disagreements with management, and (3) management's response to these problems, difficulties or



disagreements, and to resolve any disagreements between the Independent Auditor and management.

(j) To keep the Independent Auditor informed of the Committee's understanding of the Bank's relationships and transactions with related persons (as defined in Item 404 of Regulation S-K) that are significant to the Bank, and to review and discuss with the Independent Auditor its evaluation of the Bank's identification of, accounting for, and disclosure of its relationships and transactions with related persons, including any significant matters arising from the audit regarding the Bank's relationships and transactions with related persons.

(k) At least annually, to review and discuss with the Independent Auditor the matters required to be discussed by Statement on Auditing Standard No. 1301, *Communications with Audit Committees*, as adopted by the PCAOB (including any successor rule adopted by the PCAOB).

(l) To review and approve (or establish policies concerning) the employment of employees and former employees of the Independent Auditor.

B. In connection with overseeing the Bank's financial reporting and internal controls, the Committee shall have the following authority and responsibilities:

(a) In consultation with management, the Independent Auditor and the internal auditors, to review the adequacy and effectiveness of (1) the Bank's internal controls, including any material weaknesses or significant deficiencies in internal controls and significant changes in such controls reported to the Committee by the Independent Auditor or management, and (2) the Bank's disclosure controls and procedures and management reports thereon, including reports made by the Bank's Chief Executive Officer, Chief Financial Officer, or the Director of Enterprise Risk Management relating to any deficiencies or weaknesses in the design or operation of internal control over financial reporting and any fraud involving management or other employees who have a significant role in the Bank's internal control over financial reporting. The Committee shall review significant financial risk exposures identified in such reports and the steps management has taken to monitor, control and report those exposures.

(b) To review and discuss with the Independent Auditor and management the Bank's annual audited financial statements (including the related notes), the form of audit opinion to be issued by the auditors on the financial statements and the disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operations" to be included in the Bank's annual report on Form 10-K ("**Form 10-K**") before the Form 10-K is filed with the FDIC; and to recommend to the Board that the audited financial statements be included in the Form 10-K and whether the Form 10-K should be filed with the FDIC, and to produce the audit committee report required to be included in the Bank's proxy statement under the Exchange Act, as required by FDIC rules.

(c) To review and discuss with the Independent Auditor and management the Bank's quarterly financial statements and the disclosure under "Management's Discussion and Analysis



of Financial Condition and Results of Operations” to be included in the Bank’s quarterly report on Form 10-Q (“**Form 10-Q**”) before the Form 10-Q is filed with the FDIC.

(d) To review and discuss with the Bank’s executive officers all matters that those officers are required to certify to in connection with the Bank’s filing of the annual report on Form 10-K or quarterly report on Form 10-Q, as applicable, with the FDIC.

(e) To review and discuss with management and the Independent Auditor, to the extent applicable to the Bank, management’s report on internal control over financial reporting and the Independent Auditor’s attestation of such report.

(f) To prepare any report or other information required by the rules and regulations promulgated by the FDIC in Part 363, annual financial reporting and audit committee requirements.

(g) To investigate any matter within the scope of its mission as set forth herein that is brought to the attention of the Committee and that it deems to be in the interest of the Bank, and when appropriate, properly report its findings to the Board.

(h) To discuss with management the Bank’s earnings press releases, including the use of “pro forma” or “adjusted” non-GAAP financial information, as well as financial information and earnings guidance provided to analysts and rating agencies. This discussion may be done generally, consisting of discussing the types of information to be disclosed and the types of presentations to be made.

(i) To review with management and the Independent Auditor: (1) any major issues regarding accounting principles and financial statement presentation, including any significant changes in the Bank’s selection or application of accounting principles; (2) any significant financial reporting issues and judgments made in connection with the preparation of the Bank’s financial statements, including the effects of alternative GAAP methods; and (3) the effect of regulatory and accounting initiatives and off-balance sheet structures on the Bank’s financial statements.

C. In connection with overseeing the Bank’s relationship with internal auditors, the Committee shall have the following authority and responsibilities:

(a) To select, evaluate and replace the chief audit executive and any internal audit outsourcing/co-sourcing firm. The internal auditors, whether they are employees of the Bank or from an outsourced or co-sourced firm, are ultimately accountable to the Committee.

(b) To determine the compensation for the internal audit firm if the Bank uses an outside firm for this purpose.

(c) To review and approve the annual internal audit plan, including significant outsourcing or co-sourcing agreements, the budget, changes in the internal audit plan, and



activities, organizational structure and qualifications, functions, and performance of the internal audit department, as needed.

- (d) To review and approve any internal audit charter and policy document.
- (e) To review and ensure there are no unjustified restrictions or limitations on the chief audit executive.
- (f) At least once per year, review the performance of the chief audit executive and concur with any applicable annual compensation and salary adjustments.
- (g) To ensure that a Quality Assurance Review is performed by an outside party at least every five years, in conformity with Institute of Internal Auditor Standards.
- (h) To review the effectiveness of the internal audit function, including conformance with The Institute of Internal Auditors' the Definition of Internal Auditing, Code of Ethics and the International Standards for Professional Practice of Internal Auditing.
- (i) To consider and review the following: (1) significant operating and control issues in internal audit reports, management letters, any other reports required by FDIC regulations including the Exchange Act and rules promulgated thereunder, and the status of the resolution of such issues, (2) initiate inquiries into the affairs of the Bank as it is deemed necessary or appropriate, (3) significant difficulties encountered during the course of audits, including any restrictions on the scope of work or access to required information, (4) status of pending management action plans in response to audits and/or examinations, and (5) internal audit risk assessment processes.
- (j) On a regular basis, at least quarterly, meet separately in private sessions with the Independent Auditor, with the Bank's chief audit executive to review and discuss financial reporting processes and controls, the accounting policies, financial controls, and any other matters that the Committee or any of the foregoing parties believe should be discussed privately.
- (k) With input from the chief audit executive (1) appoint, replace, or dismiss the firm the Bank uses to provide internal audit co-sourcing services, (2) annually assess the effectiveness and performance of such firm, and (3) take such steps that are, in its judgment, reasonable or necessary to ensure that the co-sourcing partner is competent and objective. The appointment of the co-sourcing partner shall not be subject to termination, and their compensation shall not be subject to adjustment, without the review and approval of the Committee.

D. In connection with overseeing other compliance and regulatory matters, the Committee will:

- (a) To review regulatory agencies' reports of examination of the Bank and its subsidiaries and, in coordination with senior management, to report to the Board on such recommendations as the Committee deems appropriate.



(b) To review management reports prepared pursuant to the requirements of the Federal Deposit Insurance Corporation Improvement Act of 1991 (“*FDICIA*”) and the corresponding Independent Auditor’s attestation and agreed-upon procedures reports with respect to (1) the Bank’s internal controls and (2) compliance with the requirements applicable to the Bank with respect to (A) loans to insiders (the Board of Governors of the Federal Reserve System’s (“*FRB*’s”) Regulation O, 12 C.F.R. Part 215, and the regulations of the FDIC at 12 C.F.R. § 337.3 and § 349.3), (B) dividend restrictions, and (C) transactions by the Bank with affiliates governed by Sections 23A and 23B of the Federal Reserve Act and the FRB’s Regulation W, 12 C.F.R. Part 223, which collectively comprise the Designated Laws applicable to the Bank within the meaning of Appendix A to Part 363 of the FDIC’s Regulations.

(c) To receive and review periodically from the internal auditors and management, as appropriate, communications and presentations on information on the initiation and status of significant special investigations and initiate such other inquiries into the affairs of the Bank as it deems necessary or appropriate.

(d) To receive and review periodic presentations from management and the Independent Auditor on the identification and resolution status of material weaknesses and reportable conditions in the internal control environment, including any significant deficiencies in the design or operation of internal controls that could adversely affect the Bank’s ability to record, process, summarize and report financial data, and on any fraud, whether or not material, that involves management or other employees who have a significant role in the Bank’s internal controls.

(e) To review with management the Bank’s program for compliance with laws and regulations, including changes in such laws and regulations that affect the Bank, and review the record of such compliance.

(f) To review significant legal cases outstanding against the Bank or its subsidiaries and other regulatory or legal matters that may have a material impact on the Bank’s financial statements.

(g) To establish and oversee procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls or auditing matters and for confidential, anonymous submission by Bank or subsidiary employees of concerns regarding questionable accounting or auditing matters.

(h) To monitor compliance with the Bank’s Code of Ethics and Business Conduct (the “*Code*”), to investigate any alleged breach or violation of the Code, and to enforce the provisions of the Code.

(i) With respect to the Bank’s ethics hotline: (1) the Committee shall review the ethics hotline procedures for the receipt, retention, and treatment of complaints regarding accounting or auditing matters, including controls; and (2) the Committee shall receive reports of any substantive ethics hotline complaints and an explanation from management on the resolution of such complaints.



(j) [Reserved].

(k) To review and discuss the following with appropriate representatives of management:

- material contingent liabilities and pending litigation;
- the Bank's information security policy;
- disaster recovery plans;
- reports required by FDIC regulations including the Exchange Act and rules promulgated thereunder to be made by the Independent Auditor or management, and internal audit reports and management's responses thereto; and
- such other reports that would appropriate for the Committee.

(l) To discuss with management, the internal auditors and the Independent Auditor, guidelines and policies that govern the process for assessing and managing the Bank's exposure to risks, including reputation risk, the Bank's major financial risk exposures and the steps management has taken to monitor and control such exposure. In addition, be responsible for reviewing and discussing with management the Bank's assessment and management of risk, including market, operational, fiduciary, interest rate, liquidity, business and credit risks, and related policies.

(m) Receive such reports as it determines to be appropriate from the Director of Enterprise Risk Management or other representatives of management regarding the Bank's policies, procedures and practices, and the functioning of risk management committees, including reports related to the assessment, analysis, monitoring, management and mitigation of risk exposures. Oversee the implementation of any recommendations and program enhancements identified through this process.

(n) Oversee the Information Security and Cybersecurity program and ensure the Bank evaluates recommendations provided to establish mitigating activities to maintain or improve security posture and mitigate operational and other risks.

(o) Oversee the Third-Party Risk Management program and ensure the Bank has adequate monitoring process to mitigate risks associated to significant third-party providers.

4.0. OUTSIDE ADVISORS AND FUNDING

The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of independent outside counsel and such other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter. The Committee has authority to approve



contracts with and payment of fees and other compensation of outside legal counsel and other advisors.

The Committee shall receive appropriate funding from the Bank, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to the Bank's independent auditors, any other accounting firm engaged to perform services for the Bank, any outside counsel and any other advisors to the Committee, and any ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

5.0 DELEGATION

(a) The Committee may create a subcommittee of the Committee consisting of one or more directors on the Committee and may delegate any of its duties and responsibilities to such subcommittee, unless otherwise prohibited by applicable laws or listing rules.

(b) Any subcommittee will provide a written or oral report to the Committee regarding any activities undertaken pursuant to such delegation.

(c) The Committee may terminate any such subcommittee and revoke any such delegation at any time.

6.0 MEETINGS; PROCEDURES; COMPENSATION AND REPORTING

The Committee shall hold such regular or special meetings as its members deem necessary or appropriate. The Chair, in consultation with the other members of the Committee, will determine dates, times, and places of Committee meetings. Meetings may be held in person or via telephone or video conference. A quorum consisting of a majority of the members of the entire Committee must be present for the purpose of transacting any business of the Committee. The Committee may also act by unanimous written consent.

The Committee shall keep regular minutes of its meetings, and the Committee members shall review and approve the minutes. The minutes shall be reported to and available for review by the Board, any regulatory agency having jurisdiction over the affairs of the Bank or as otherwise determined by the Board or Committee. The Committee may also appoint a Secretary, who need not be a director.

The Committee may request that any directors, members of management or other employees of the Bank and its subsidiaries, or other persons whose advice and counsel are sought by the Committee to attend any meetings of the Committee as it deems appropriate.

The Committee shall have full access to all employees, books, research, data and other records of the Bank and its subsidiaries as deemed necessary or appropriate by any member of the Committee to discharge his or her responsibilities hereunder. In performing their responsibilities, members of the Committee are entitled to rely in good faith on research, data and other records of the Bank and its subsidiaries and the other information, opinions, reports or statements prepared or presented by one or more members of management or other employees of the Bank or its



subsidiaries or other persons whom the members reasonably believe to be reliable and competent in matters presented.

Members of the Committee shall receive such fees, if any, for their service as Committee members as may be determined by the Board or a committee designated by the Board, which may include additional compensation for the Chair. Such fees may include retainers or per meeting fees and will be paid in such form of consideration as is determined by the Board in accordance with applicable law.

The Chair of the Committee shall regularly report to the Board, including in those circumstances where there is a Board meeting that immediately follows each meeting of the Committee and at such other times as the Board or the Committee determines otherwise determines is necessary or desirable. The Committee's report to the Board shall address routine matters of the Committee, including such matters as issues that have arisen with respect to the quality or integrity of the Bank's financial statements, significant internal or external audit findings, including those relating to the Bank's compliance with legal or regulatory requirements, the performance and independence of the Independent Auditor, the performance of the internal auditor, related party transactions or issues with respect to the Banks' risk management.

7.0 PERFORMANCE EVALUATION; CHARTER REVIEW AND AMENDMENT

The Committee shall review, discuss and assess its own performance and that of its members at least annually, including a review of the Committee's compliance with this Charter. As a result of this review and evaluation, the Committee shall recommend any proposed changes to the Charter for Board approval. In addition, the Committee shall review this Charter, at least annually, and evaluate whether it appropriately addresses the matters that are or should be within its scope. As a result of this review and evaluation, the Committee shall recommend any proposed changes to the Charter for Board approval. The Board may amend or repeal this Charter and amend the duties of the Committee at any time. The Bank shall publish or otherwise make publicly available this Charter in accordance with the rules and regulations promulgated pursuant to the Exchange Act, as applied by the FDIC.

Charter History:

Adopted June ___, 2021 (*effective upon completion of the Bank's initial public offering*)