

MOUNTAIN COMMERCE BANCORP, INC.

6101 Kingston Pike
Knoxville, Tennessee 37919
(423) 262-5820

April 24, 2020

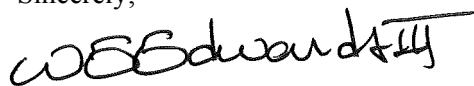
Dear Shareholder:

You are cordially invited to attend our 2020 annual meeting of shareholders, which will be held at Hilton Garden Inn located at 6200 Papermill Drive, Knoxville, Tennessee 37919, on Thursday, June 4, 2020 at 10:00 a.m. EDT. I sincerely hope that you will be able to attend the meeting and I look forward to seeing you.

The attached notice of the annual meeting and proxy statement describes the formal business to be transacted at the meeting. We will also report on our operations for the year-ended December 31, 2019 and first quarter 2020. Your attention is directed to the proxy statement accompanying this notice for a more complete statement regarding the matters proposed to be acted upon at the meeting.

Please take this opportunity to become involved in the affairs of Mountain Commerce Bancorp, Inc. *Whether or not you expect to be present at the meeting, please vote and submit your proxy as soon as possible. You may vote by marking, dating and signing the enclosed proxy card, and returning it to us in the envelope provided, or over the Internet, as more particularly described in the attached proxy statement. This will not prevent you from voting in person at the meeting, but will help to secure a quorum and avoid added solicitation costs.* If you submit your proxy and decide later to attend the meeting, you may withdraw your proxy at any time and vote your shares in person. In addition, this will not prevent you from changing your vote. If you submit your proxy and later decide to change your vote, you may revoke your proxy at any time as provided in the accompanying proxy statement.

Sincerely,

A handwritten signature in black ink, appearing to read "W E Edwards III", with a stylized flourish at the end.

William E. Edwards, III
President and Chief Executive Officer

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**NOTICE OF THE ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD THURSDAY, JUNE 4, 2020**

* * * * *

The annual meeting of shareholders of Mountain Commerce Bancorp, Inc. (the "Company") will be held on Thursday, June 4, 2020, at 10:00 a.m. EDT at Hilton Garden Inn located at 6200 Papermill Drive, Knoxville, Tennessee 37919, for the following purposes:

- (1) To elect ten directors to hold office until the next annual meeting of shareholders and until their successors have been duly elected and qualified;
- (2) To approve the Mountain Commerce Bancorp, Inc. 2020 Equity Incentive Plan;
- (3) To approve an amendment to the Company's charter, as amended (the "Charter") to increase the number of authorized shares of the Company's common stock from 10,000,000 to 20,000,000;
- (4) To ratify the appointment of Dixon Hughes Goodman, LLP as the Company's independent public accounting firm for the fiscal year ending December 31, 2020; and
- (5) To transact such other business as may properly come before the meeting or any postponement or adjournment of the meeting.

The Board of Directors has set the close of business on April 15, 2020 as the record date for determining the shareholders who are entitled to notice of, and to vote at, the meeting or any postponement or adjournment thereof.

We hope that you will be able to attend the meeting. We ask, however, whether or not you plan to attend the meeting that you vote and submit your proxy as soon as possible. You may vote by marking, dating, signing and mailing the enclosed proxy card to the Company in the envelope provided or over the Internet, as more particularly described in the attached proxy statement. Promptly voting and submitting your proxy will help ensure that the greatest number of shareholders are present whether in person or by proxy.

If you attend the meeting in person, you may revoke your proxy at the meeting and vote your shares in person. You may revoke your proxy at any time before the proxy is exercised. Should you desire to revoke your proxy other than in person at the meeting, you may do so as provided in the accompanying proxy statement.

By Order of the Board of Directors,



Regenia B. Ellis
Secretary

Knoxville, Tennessee
April 24, 2020

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PROXY STATEMENT

The Board of Directors (the “Board”) of Mountain Commerce Bancorp, Inc. (the “Company”) is furnishing this proxy statement in connection with its solicitation of proxies for use at the 2020 annual meeting of shareholders (the “Meeting”) to be held at 10:00 a.m. EDT on Thursday, June 4, 2020 at Hilton Garden Inn located at 6200 Papermill Drive, Knoxville, Tennessee 37919, and at any postponements or adjournments of the Meeting. The enclosed proxy is solicited by the Board of the Company.

The purpose of the Meeting is to elect ten directors, to vote on approval of the Mountain Commerce Bancorp, Inc. 2016 Equity Incentive Plan, to vote on an amendment to the Company’s Charter increasing the number of authorized shares, to vote on the ratification of the Company’s independent public accounting firm for 2020 and to consider and to transact such other business as may properly be brought before the Meeting or any postponement or adjournment thereof.

The close of business on April 15, 2020, is the record date for the determination of shareholders entitled to notice of, and to vote at, the Meeting. The Company first mailed this proxy statement and the accompanying proxy card to shareholders on or about April 24, 2020.

As of the close of business on the record date, the Company had 10,000,000 shares of common stock, \$0.01 par value (the “Common Stock”) authorized, of which 6,286,003 shares were issued. Each issued and outstanding share of Common Stock is entitled to one vote on all matters presented at the Meeting.

IMPORTANT MEETING AND VOTING INFORMATION

Location of Annual Meeting

The Company intends to hold its annual meeting in person. However, the Company is actively monitoring the coronavirus (COVID-19); the Company is sensitive to the public health and travel concerns our shareholders may have and the protocols that federal, state, and local governments may impose. In the event it is not possible or advisable to hold the Meeting in person, the Company will announce alternative arrangements for the meeting as promptly as practicable, which may include holding the meeting solely by means of remote communication. Please monitor the Company’s website (www.mcb.com) for updated information. If you are planning to attend the Meeting, please check the website one week prior to the date of the Meeting for more information. As always, the Company encourages you to vote your shares prior to the Meeting.

Proxy Voting Procedures

Each copy of this proxy statement that is mailed to the common shareholders of the Company is accompanied by a proxy card with instructions for voting by mail or on the Internet. If voting by mail, you should complete and return the proxy card accompanying this document in the enclosed postage paid envelope to ensure that your vote is counted at the Meeting, or at any adjournment or postponement of the

Meeting, regardless of whether you plan to attend the Meeting. You may also vote your shares using the Internet. Information and applicable deadlines for voting on the Internet are set forth in the enclosed proxy card instructions.

If you properly mark, sign and return your proxy card through the mail or vote on the Internet and, in either case, do not revoke your proxy, the persons appointed as proxies will vote your shares according to the instructions you have specified on the proxy card. If you sign and return your proxy card through the mail or vote on the Internet but do not specify how the persons appointed as proxies are to vote your shares, your proxy will be voted as follows:

- FOR the election of all of the director nominees,
- FOR approval of the Mountain Commerce Bancorp, Inc. 2020 Equity Incentive Plan;
- FOR approval of the amendment to the Company's charter, as amended (the "Charter") to increase the number of authorized shares of Common Stock from 10,000,000 to 20,000,000 (the "Charter Amendment");
- FOR the ratification of the appointment of Dixon Hughes Goodman, LLP as the Company's independent public accounting firm for the fiscal year ending December 31, 2020, and
- In the best judgment of the persons appointed as proxies as to all other matters properly brought before the Meeting.

If any nominee for election to the Board named in this proxy statement becomes unavailable for election for any reason, of which none is presently foreseen, the proxy will be voted FOR a substitute nominee selected by the Board or a vacancy will occur on the Board, which, if not eliminated by the directors reducing the size of the Board, may be filled later by action of the Board of shareholders.

You can revoke your proxy at any time before it is voted by delivering either a written revocation of the proxy or a duly executed proxy bearing a later date, to Regenia B. Ellis, Secretary, Mountain Commerce Bancorp, Inc., 6101 Kingston Pike, Knoxville, Tennessee 37919. You may also revoke your proxy by attending the Meeting and voting in person.

Quorum Requirements

A quorum will be present at the Meeting if at least a majority of the shares of Common Stock as of the record date are represented in person or by valid proxy at the Meeting. The aggregate number outstanding of votes entitled to be cast by all shareholders present in person or represented by proxy at the Meeting, whether those shareholders vote "for", "withhold", or "abstain", will be counted for purposes of determining whether a quorum is present.

Votes Required

The affirmative vote of a plurality of the votes cast by the shareholders entitled to vote at the Meeting is required for the election of directors. A properly executed proxy marked "WITHHOLD AUTHORITY" with respect to the election of one or more directors will not be voted with respect to the director or directors indicated, although it will be counted in determining whether there is a quorum. Therefore, so long as a quorum is present, withholding authority will have no effect on whether one or more directors are elected. The approval of (i) the Mountain Commerce Bancorp, Inc. 2020 Equity Incentive Plan; (ii) the Charter Amendment; (iii) ratification of Dixon Hughes Goodman, LLP as the Company's independent public accounting firm for the fiscal year ending December 31, 2020; and (iv) any matter other than that enumerated above that properly comes before the Meeting will be approved if the number of shares of Common Stock voted in favor of the proposal exceeds the number of shares of Common Stock voted against it. A properly executed proxy marked "ABSTAIN" with respect to such proposals will not be

voted on the proposal, although it will be counted in determining whether there is a quorum. Therefore, so long as a quorum is present, abstaining from voting on such proposals will have no effect on whether such proposals are approved. Similarly, broker non-votes will have no effect on whether a proposal will be approved.

Broker Non-Votes

Proxies that are returned to the Company by brokers that have not received instructions to vote on one or more proposals and do not vote on such proposal(s) are referred to as "broker non-votes" with respect to the proposal(s) not voted upon. Broker non-votes are included in determining the presence of a quorum. Under the rules of the New York Stock Exchange (the "NYSE"), if your broker does not receive instructions from you, your broker will not be able to vote your shares with respect to non-routine matters. Each of the proposals regarding the election of directors, the Mountain Commerce Bancorp, Inc. 2020 Equity Incentive Plan and the Charter Amendment as disclosed in this proxy statement are each considered non-routine under the rules of the NYSE and failure to instruct your broker on how to vote on these matters will result in a broker non-vote. Therefore, it is very important that you instruct your broker how you wish your shares to be voted on the election of directors, the approval of the Mountain Commerce Bancorp, Inc. 2020 Equity Incentive Plan and the approval of the Charter Amendment. The ratification of the appointment of the Company's independent registered public accounting firm for the fiscal year ending December 31, 2020 is generally considered to be a routine matter and therefore your broker should be permitted to vote your shares on that matter even if your broker does not receive instructions from you. Since directors are elected by a plurality of the votes cast, broker non-votes would not have any effect on whether a director nominee is elected. Similarly, so long as a quorum is present broker non-votes on the proposals to approve the Mountain Commerce Bancorp, Inc. 2020 Equity Incentive Plan and the Charter Amendment would not have any effect on whether each of these proposals is approved.

ITEM 1 – ELECTION OF DIRECTORS

The Company's Board of Directors consists of ten members. All of our directors are elected annually. There are ten nominees set forth to be elected at the Meeting, consisting of our current ten directors, all as selected by the Board. We propose that the nominees listed below be elected as members of the Board at the Meeting. If elected, each of the nominees shall serve as a director until the annual meeting of shareholders in 2021 and until his respective successor is duly elected and qualified.

Information concerning the nominees proposed by the Board for election is set forth below.

William E. "Bill" Edwards III, age 60, is a founding member of the Board of Directors for the Company and its wholly owned bank subsidiary, Mountain Commerce Bank (the "Bank"), serving as the vice-chairman, president and chief executive officer since their inception. Mr. Edwards has over 40 years of commercial banking experience, including all aspects of basic bank operations. In the late 1980s, he worked for the Federal Deposit Insurance Corporation. He has experience as a commercial and corporate lender and capital markets originator. In addition, Mr. Edwards held senior executive positions in sectors such as capital markets, investment analysis and financial planning. As a group vice president with SunTrust Bank, he managed its northeast Tennessee commercial, corporate and real estate lending division, in addition to positions held with its subsidiary, SunTrust Robinson Humphrey Capital Markets. Mr. Edwards attended various banking schools, including the Tennessee School of Commercial Lending at Vanderbilt University and the Corporate Finance Program at SunTrust University. He is a graduate of the Leadership Washington County/Johnson City and Leadership Kingsport programs. Mr. Edwards is a member of the East Tennessee State University (ETSU) Foundation Board. He is a past member of the Independent Bankers Board of the Tennessee Bankers Association, where he also serves on the government relations committee. He served on the Northeast State Community College Foundation Board. He is a past member of the advisory board for the ETSU Innovation Lab, the board of the Sequoyah Council of the Boy Scouts, Coalition for Kids advisory board and past president of the Tri-Cities chapter of the University of Tennessee Alumni

Association. He previously served as president of the Lions Club of Pigeon Forge and treasurer of the Johnson City chapter. He is the past treasurer of the Boones Creek Christian Church capital campaign. Mr. Edwards earned a Bachelor of Science in Finance from the University of Tennessee in 1982. While not currently active, Mr. Edwards held a certified financial planner designation and previously held a Tennessee real estate license and a private pilot's license.

Wade H. Farmer, age 50, is a resident of Telford, Tennessee. Mr. Farmer has served on the Bank's and the Company's Board of Directors since September 2015. He is a certified public accountant with over 23 years of experience. Since 2003, Mr. Farmer has been a partner in the tax department at Blackburn, Childers & Steagall, PLC in Johnson City, Tennessee. He has previously served as the partner in charge of that department. He specializes in individual, family entity, estate and trust taxation. Mr. Farmer is also an owner in BCS Wealth Management and an owner and co-founder in Trinity Valuation Consulting Group and First Covenant Trust & Advisors. Mr. Farmer is a graduate of Emory & Henry College, Emory, Virginia with a Bachelor of Arts in Economics and a Bachelor of Science in Management with a concentration in Accounting. He received his Master of Accountancy from East Tennessee State University, Johnson City, Tennessee. He is active in the community, having served as president of the Tri-Cities Estate Planning Council and chair of the deacon board of Buffalo Ridge Baptist Church. He is a member of the American Institute of Certified Public Accountants and the Tennessee Society of Certified Public Accountants. He is also a past chairman for the board of directors of Dawn of Hope. In 2005, he was named one of the top 40 Under Forty by the Tri-Cities Business Journal.

Dwight B. Ferguson Jr., age 73, is a resident of Jonesborough, Tennessee. He is a founding member of the Board of Directors of the Bank and the Company since their inception in 2006. He has served as chairman of the board of both the Bank and the Company since December 15, 2010. Mr. Ferguson served as president and/or chief executive officer of Nuclear Fuel Services, Inc. (NFS) located in Erwin, Tennessee from March 1992 until January 2009. The business is the largest employer in Unicoi County and the sole provider of nuclear fuel to the United States Navy. During his tenure with NFS, he also served as chief financial officer and executive vice president. Mr. Ferguson began his career with a degree in accounting earned at the University of Virginia. After graduation he moved to Atlanta, accepting a position in public accounting with the firm of Main Lafrentz & Co. In 1971, Mr. Ferguson became a certified public accountant and moved into industry, working in a number of service and manufacturing businesses. From 1971 to 1987, he held several positions with those businesses, among them controller, group controller, and chief financial officer. In 1987, Mr. Ferguson joined NFS when Texaco sold the concern to Nuclear Fuel Services, Ltd. Mr. Ferguson has a passion for education; he was instrumental in establishing the "Goal Card" program, which served Washington, Carter and Unicoi counties by providing incentives for academic performance. Mr. Ferguson received the Tennessee Education Association's Friends of Education Award on behalf of NFS in recognition of his involvement in schools through a myriad of programs. Since his retirement, he has become actively involved in the community, serving as treasurer on the Tusculum College Board of Trustees and past chairman of the Northeast State Community College Foundation. He has also served on the East Tennessee State University School of Business and Technology advisory board, and the board of the Sequoyah Council of the Boy Scouts. Mr. Ferguson is a Kiwanis member and has served as treasurer of Jonesborough United Methodist Church.

Michael L. Hatcher, age 69, is a resident of Knoxville, Tennessee. Mr. Hatcher has served on the Bank's and the Company's Board of Directors since September 2015. He is a certified public accountant. Mr. Hatcher earned his Bachelor of Science in Accounting from the University of Tennessee, Knoxville. He received his Master of Business Administration from Vanderbilt University. Mr. Hatcher began his career serving as chief financial officer and treasurer of Cherokee Textile Mills, Inc., Sevierville, Tennessee from 1972 until 1985. He partnered with a pharmacist to form and grow Nutritional Support Services, Ltd., an infusion therapy company, from 1985 until 1990. He served as chief financial officer and chief operating officer of the company until it sold in 1990. Mr. Hatcher joined four emergency department physicians to form what is now known as TeamHealth, Inc., a hospital-physician staffing company where he served as chief financial officer and chief operating officer from 1990 until 2004. With other investors, Mr. Hatcher founded Medical Supplies of America, LLC, a general medical supply company and Medical Waste of

America, LLC, a bio-hazardous medical waste company. He was a founding investor and board member of The White Stone Group, a healthcare software company. Mr. Hatcher is a founder of Hatcher Hill Properties, a real estate investment company that focuses primarily on commercial real estate development and historic redevelopment. He is an angel investor in a variety of small, early stage companies in east and middle Tennessee. He has served on various community boards, such as Knox Area Rescue Ministries, the American Cancer Society, Second Harvest and Knox Leadership Foundation.

Kevin W. Horne, age 49, is a resident of Blountville, Tennessee. He has served as a member of the Board of Directors of both the Company and the Bank since September 2009. Mr. Horne joined the Bank in March 2007 as senior vice president and area president. In May 2009, he was promoted to executive vice president and chief credit officer. In May 2012, he was given additional responsibility as chief operating officer. Mr. Horne has over 25 years of experience in financial services with over 22 years in banking. Prior to joining the Company, Mr. Horne held area executive positions with a regional bank in various locations, including northeast Tennessee, southwest Virginia and southern West Virginia. As area executive, Mr. Horne was responsible for all banking segments, ensuring profitability, credit quality and efficiency. He earned his bachelor's degree from the University of Tennessee, Knoxville in 1993. Mr. Horne has graduated from various banking schools, including the Stonier Graduate School of Banking, Southeastern School of Commercial Lending and Southeastern School of Advanced Commercial Lending. He currently serves on the board of directors for Junior Achievement of Johnson City.

Wendell C. Kirk, age 79, is a resident of Kingsport, Tennessee. Mr. Kirk is a founding member of the Board of Directors of the Company and the Bank since August 2006. He is a certified public accountant. Since 1991, he has been a consultant with Kirk & Associates, a company that provides insurance and financial consulting services. Mr. Kirk is a former employee of the Federal Bureau of Investigation. Prior to his employment with Kirk & Associates, he was president and chief executive officer of Heritage Federal Bank, FSB, in Kingsport, Tennessee, which had over \$600 million in assets at the time of his retirement. Mr. Kirk is past president of the Greater Kingsport Area Chamber of Commerce.

Tim A. Topham, age 61, is a resident of Maryville, Tennessee. Mr. Topham has served on the Bank Board of Directors since July 2012 and served on the Company Board since February 2019. He has over 36 years of banking experience in the areas of private wealth management, commercial and real estate lending, branch supervision and various other aspects of banking. He joined the Bank in January 2007 as senior vice president and area president for the Knoxville region. In May 2009, he was promoted to executive vice president to oversee commercial and real estate lending, treasury management as well as investments and financial management. Prior to joining the Company, he spent 17 ½ years at SunTrust Bank heading up both Private Banking and the Private Wealth Management Group in the Knoxville area. While at SunTrust, he was responsible for managing over 15 relationship managers with a loan portfolio of \$580MM and a deposit portfolio of \$345MM. He was also responsible for the oversight of referrals to trust, investments, financial planning and insurance departments. Topham has held a Principal's License (Series 24) as well as Series 7 and 66 licenses and a license for life and health insurance. He is a graduate of Maryville College with a Bachelor of Arts degree in Business Administration. He currently sits on the board of directors for Maryville College and serves on the executive committee of such board. In 2018, he was elected to the board of directors of the Great Smoky Mountains Institute at Tremont.

Samuel L. Widener, age 77, is a resident of Johnson City, Tennessee. Mr. Widener is a founding member of the Board, serving as director of the Company and the Bank since August 2006. He is the owner of Winco Tile, a wholesale distributor of ceramic tile, with locations in Johnson City and Knoxville. He is also the owner of Wincrest Angus Farm and a general partner of Wincrest Properties, LP. Mr. Widener served for nine years on the board of directors of the Ceramic Tile Distributors Association, an international trade association, and as president of the group in 2002. Mr. Widener was honored for his work with the ceramic tile industry by being inducted into its hall of fame in 2004. He served for twenty years on three industry-wide technical committees relating to the manufacture and installation of ceramic tile. He currently serves as a trustee of Johnson University in Knoxville, Tennessee. Mr. Widener previously served on the advisory board of Mountain Empire Bank.

Frank Wood, age 56, is a resident of Johnson City, Tennessee. Mr. Wood has served on the Bank's and the Company's Board of Directors since March 2011. He is the owner and chief executive officer of the Holston Companies, whose operations include Holston Distributing Co., Inc., the Anheuser-Busch distributor for northeastern Tennessee; Warehouse Central LLC, a warehousing and logistics company; Truck Central LLC; and Records Storage and Management Central LLC. Each of them is headquartered in Johnson City, Tennessee. Mr. Wood is a graduate of the University of Tennessee, Knoxville, where he earned a Bachelor of Science in Business Administration and Industrial Engineering.

Douglas A. Yoakley, age 64, is a resident of Knoxville, Tennessee. Mr. Yoakley has served on the Bank's and the Company's Board of Directors since March 2017. As a certified public accountant for more than 39 years, Mr. Yoakley has provided tax planning and compliance services to a variety of businesses, organizations, individuals and industries. He is currently a wealth management consultant with the registered investment advisory firm PYA Waltman Capital, which he co-founded in 2005. In 1983, Mr. Yoakley co-founded Pershing Yoakley Associates (PYA), which has grown to become a 200-employee company that provides comprehensive support in accounting, consulting and management to businesses nationwide from offices in Atlanta, Kansas City, Knoxville, Nashville and Tampa. Mr. Yoakley retired from PYA in 2014 following more than three decades of service. A graduate of the University of Tennessee, Knoxville, with a Bachelor of Science in Accounting, Mr. Yoakley has served on many civic organization boards, including Knox Area Rescue Ministries, Salvation Army, Knoxville Leadership Foundation and The Change Center. He is a member of the American Institute of Certified Public Accountants, the Bernstein Society Advisory Council for the University of Tennessee Medical Center, as well as the Knoxville Estate Planning Council. Mr. Yoakley is also part-owner of the Knoxville Ice Bears professional hockey team, and has an interest in several additional real estate and business ventures.

The Board of Directors recommends that you vote “FOR” each of the Nominees.

ITEM 2 – APPROVAL OF THE MOUNTAIN COMMERCE BANCORP, INC. 2020 EQUITY INCENTIVE PLAN

The Company's Board of Directors has adopted and recommends that you approve the Mountain Commerce Bancorp, Inc. 2020 Equity Incentive Plan (the “Equity Incentive Plan”). If approved by shareholders, the Equity Incentive Plan will authorize awards in respect of an aggregate of 200,000 newly authorized shares of Common Stock plus (i) that number of shares of Common Stock that are reserved for issuance under the Mountain Commerce Bancorp, Inc. 2016 Equity Incentive Plan (the “2016 Plan”) that have not yet been issued and that are not issued prior to June 4, 2020 and (ii) any shares of Common Stock related to awards previously issued under the 2016 Plan that are forfeited, expire unexercised, cancelled, settled for cash, withheld without delivery or are utilized to cover withholding taxes or to exercise other awards under the 2016 Plan (the “2016 Additional Shares”). As of the date of this proxy statement, there are 85,500 shares remaining available for issuance under the 2016 Plan and awards with respect to 66,750 shares outstanding. If approved by the Company's shareholders, the Equity Incentive Plan will be effective as of June 4, 2020.

The primary purpose of the Equity Incentive Plan is to promote the interests of the Company and its shareholders by, among other things, (i) attracting and retaining key officers, employees and directors of, and consultants to, the Company and its subsidiaries and affiliates, (ii) enabling such individuals to participate in the long-term growth and financial success of the Company, (iii) encouraging ownership of stock in the Company by such individuals, and (iv) linking their compensation to the long-term interests of the Company and its shareholders.

The Company's general compensation philosophy is that long-term, stock-based incentive compensation should strengthen and align the interests of the Company's officers, directors and employees with its shareholders. The Company believes that the utilization of stock incentives have been effective over the years in enabling the Company to attract and retain the talent critical to the Company. The Company believes that stock ownership has focused the Company's key employees on improving the

Company's performance, and has helped to create a culture that encourages employees to think and act as shareholders. Participants in the Company's long-term incentive compensation program generally include its officers and other key employees. Directors also receive awards as a component of their board fees.

The Equity Incentive Plan is intended to facilitate the Company's efforts to better align the Company's long-term awards structure with its business and talent needs and its shareholders' interests. The Equity Incentive Plan includes a variety of award types that the Company may grant under the Equity Incentive Plan, including shares of restricted stock, restricted stock units, performance awards and stock options and stock appreciation rights.

The Company believes that the shares of Common Stock reserved for issuance under the Equity Incentive Plan authorization will enable it to implement the Company's long-term stock incentive program for the life of the plan.

If the Equity Incentive Plan is not approved, the Company may become unable to provide long-term, stock-based incentives to present and future employees consistent with its current compensation philosophies and objectives.

The Company believes that its equity award programs have contributed to its success in the past and are important to the Company's ability to achieve its corporate performance goals in the years ahead. The Company believes that the ability to attract, retain and motivate talented employees is integral to the Company's long-term performance and shareholder returns. The Company believes that the Equity Incentive Plan will allow it the flexibility to implement the Company's current long-term incentive philosophy in future years as it seeks to further better align executive and shareholder interests. For these reasons, the Company considers approval of the Equity Incentive Plan important to the Company's future success.

The following is a brief summary of the principal features of the Equity Incentive Plan, which is qualified in its entirety by reference to the Equity Incentive Plan itself, a copy of which is attached hereto as Appendix A and incorporated herein by reference.

Shares Available for Awards under the Plan. Under the Equity Incentive Plan, awards may be made in Common Stock of the Company. Subject to adjustment as provided by the terms of the Equity Incentive Plan, the maximum number of shares of Common Stock with respect to which awards may be granted under the Equity Incentive Plan is 200,000 plus the 2016 Additional Shares. Except as adjusted in accordance with the terms of the Equity Incentive Plan, no more than 285,500 shares of Common Stock authorized under the Equity Incentive Plan may be awarded as incentive stock options.

Shares of Common Stock subject to an award under the Equity Incentive Plan but which terminate, expire unexercised or are settled for cash, or are forfeited, cancelled or withheld without delivery of the shares, including shares of Common Stock withheld or surrendered in payment of any exercise or purchase price of an award or taxes relating to an award, remain available for awards under the Equity Incentive Plan. Shares of Common Stock issued under the Equity Incentive Plan may be either newly issued shares or shares which have been reacquired by the Company. Shares issued by the Company as substitute awards granted solely in connection with the assumption of outstanding awards previously granted by a company acquired by the Company, or with which the Company combines, ("Substitute Awards") do not reduce the number of shares available for awards under the Equity Incentive Plan.

With certain limitations, awards made under the Equity Incentive Plan may be adjusted by the Compensation Committee of the Board of Directors (the "Committee") in its discretion or to prevent dilution or enlargement of benefits or potential benefits intended to be made available under the Equity Incentive Plan in the event of any stock dividend, reorganization, recapitalization, stock split, combination, merger, consolidation, change in laws, regulations or accounting principles or other relevant unusual or nonrecurring event affecting the Company.

Eligibility and Administration. Current and prospective officers and employees, and directors of, and consultants to, the Company or its subsidiaries or affiliates are eligible to be granted awards under the Equity Incentive Plan. The Company has not at the present time determined who will receive the shares of Common Stock that will be authorized for issuance under the Equity Incentive Plan or how they will be allocated. The Committee will administer the Equity Incentive Plan, except with respect to awards to non-employee directors, for which the Equity Incentive Plan will be administered by the Board. Subject to the terms of the Equity Incentive Plan, the Committee is authorized to select participants, determine the type and number of awards to be granted, determine and later amend (subject to certain limitations) the terms and conditions of any award, interpret and specify the rules and regulations relating to the Equity Incentive Plan, and make all other determinations which may be necessary or desirable for the administration of the Equity Incentive Plan.

Stock Options and Stock Appreciation Rights. The Committee is authorized to grant stock options, including both incentive stock options, which can result in potentially favorable tax treatment to the participant, and non-qualified stock options. The Committee may specify the terms of such grants subject to the terms of the Equity Incentive Plan. The Committee is also authorized to grant SARs, either with or without a related option. The exercise price per share subject to an option is determined by the Committee, but may not be less than the fair market value of a share of Common Stock on the date of the grant, except in the case of awards issued in substitution for awards issued by companies acquired by the Company. The maximum term of each option or SAR, the times at which each option or SAR will be exercisable, and the provisions requiring forfeiture of unexercised options at or following termination of employment generally are fixed by the Committee, except that no option or SAR relating to an option may have a term exceeding ten years. Incentive stock options that are granted to holders of more than ten percent of the Company's voting securities are subject to certain additional restrictions, including a five-year maximum term and a minimum exercise price of 110% of fair market value.

A stock option or SAR may be exercised in whole or in part at any time, with respect to whole shares only, within the period permitted thereunder for the exercise thereof. Stock options and SARs shall be exercised by written notice of intent to exercise the stock option or SAR and, with respect to options, payment in full to the Company of the amount of the option price for the number of shares with respect to which the option is then being exercised.

Payment of the option price must be made in cash or cash equivalents, or, at the discretion of the Committee, (i) by transfer, either actually or by attestation, to the Company of unencumbered shares that have previously been acquired by the participant which have a fair market value on the date of exercise equal to the option price, together with any applicable withholding taxes, or (ii) by a combination of such cash or cash equivalents and such shares. Payment of the option price may be made in such other method as the Committee shall approve including withholding shares of Common Stock issuable upon exercise of an option having a fair market value equal to the option price together with any applicable withholding taxes. Subject to applicable securities laws and Company policy, the Company may permit an option to be exercised by delivering a notice of exercise and simultaneously selling the shares thereby acquired, pursuant to a brokerage or similar agreement approved in advance by proper officers of the Company, using the proceeds of such sale as payment of the option price, together with any applicable withholding taxes. Until the participant has been issued the shares subject to such exercise, he or she shall possess no rights as a shareholder with respect to such shares.

Restricted Shares and Restricted Share Units. The Committee is authorized to grant restricted shares of Common Stock and restricted share units. Restricted shares are shares of Common Stock subject to transfer restrictions as well as forfeiture upon certain terminations of employment prior to the end of one or several restricted periods or other conditions specified by the Committee in the award agreement. A participant granted restricted shares of Common Stock generally has most of the rights of a shareholder of the Company with respect to the restricted shares, including the right to receive dividends and the right to

vote such shares. None of the restricted shares may be transferred, encumbered or disposed of during the restricted period or until after fulfillment of the restrictive conditions.

Each restricted share unit has a value equal to the fair market value of a share of Common Stock on the date of grant. The Committee determines, in its sole discretion, the restrictions applicable to the restricted share units and whether a participant will be credited with dividend equivalents on any vested restricted share units at the time of any payment of dividends to shareholders on shares of Common Stock. Except as determined otherwise by the Committee, restricted share units may not be transferred, encumbered or disposed of, and such units shall terminate, without further obligation on the part of the Company, unless the participant remains in continuous employment of the Company for the restricted period and any other restrictive conditions relating to the restricted share units are met.

Performance Awards. Performance awards may also be granted under the Equity Incentive Plan. A performance award consists of a right that is denominated in cash or shares of Common Stock, valued, as determined by the Committee, in accordance with the achievement of certain performance goals during certain performance periods as established by the Committee, and payable at such time and in such form as the Committee shall determine. Performance awards may be paid in a lump sum or in installments following the close of a performance period or on a deferred basis, as determined by the Committee. Except as otherwise determined by the Committee, termination of employment prior to the end of any performance period, other than for reasons of death or disability, will result in the forfeiture of the performance award. The Committee may in its discretion waive any performance goals or other terms and conditions relating to a performance award. A participant's rights to any performance award may not be transferred, encumbered or disposed of in any manner, except by will or the laws of descent and distribution or as the Committee may otherwise determine.

Other Stock-Based Awards. The Committee is authorized to grant any other type of awards that are denominated or payable in, valued by reference to, or otherwise based on or related to shares of Common Stock. The Committee will determine the terms and conditions of such awards, consistent with the terms of the Equity Incentive Plan.

Non-Employee Director Awards. The Board may provide that all or a portion of a non-employee director's annual retainer and/or meeting fees or other awards or compensation as determined by the Board be payable in non-qualified stock options, restricted shares, restricted share units and/or other stock-based awards, including unrestricted shares, either automatically or at the option of the non-employee directors. The Board will determine the terms and conditions of any such awards, including those that apply upon the termination of a non-employee director's service as a member of the Board. Non-employee directors are also eligible to receive other awards pursuant to the terms of the Equity Incentive Plan, including options and SARs, restricted shares and restricted share units, and other stock-based awards upon such terms as the Committee may determine; provided, however, that with respect to awards made to members of the Committee, the Equity Incentive Plan will be administered by the Board.

Termination of Employment. The Committee will determine the terms and conditions that apply to any award upon the termination of employment with the Company, its subsidiaries and affiliates, and provide such terms in the applicable award agreement or in its rules or regulations.

Change in Control. The Committee may (in accordance with Section 409A, to the extent applicable), in its discretion, in the event of a change in control, take such actions as it deems appropriate to provide for the acceleration of the exercisability, vesting and/or settlement in connection with such change in control of each or any outstanding award under the Equity Incentive Plan or portion thereof and the shares acquired pursuant thereto upon such conditions (if any), including termination of the participant's service prior to, upon, or following such change in control, to such extent as the Committee shall determine. The Committee may in its discretion and without the consent of any participant, determine that, upon the occurrence of a change in control, each or any award or a portion thereof outstanding immediately prior to the change in control and not previously exercised or settled will be canceled in exchange for a payment

with respect to each vested share subject to such award in cash, shares, shares of a corporation or other business entity a party to the change in control, or other property which, in any such case, will be in an amount having a fair market value equal to the fair market value of the consideration to be paid per share in the change in control, reduced by the exercise or purchase price per share, if any, under such award.

Amendment and Termination. The Board may amend, alter, suspend, discontinue or terminate the Equity Incentive Plan or any portion of the Equity Incentive Plan at any time, except that shareholder approval must be obtained for any such action if such approval is necessary to comply with any tax or regulatory requirement with which the Board deems it desirable or necessary to comply. The Committee may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate any award, either prospectively or retroactively. The Committee does not have the power, however, to amend the terms of previously granted options to reduce the exercise price per share subject to such option or to cancel such options and grant substitute options with a lower exercise price per share than the cancelled options. The Committee also may not materially and adversely affect the rights of any award holder without the award holder's consent.

Other Terms of Awards. The Company may take action, including the withholding of amounts from any award made under the Equity Incentive Plan, to satisfy withholding and other tax obligations. The Committee may provide for additional cash payments to participants to defray any tax arising from the grant, vesting, exercise or payment of any award. Except as permitted by the applicable award agreement, awards granted under the Equity Incentive Plan generally may not be pledged or otherwise encumbered and are not transferable except by will or by the laws of descent and distribution, or as permitted by the Committee in its discretion.

Certain Federal Income Tax Consequences. The following is a brief description of the Federal income tax consequences generally arising with respect to awards under the Equity Incentive Plan.

Tax consequences to the Company and to participants receiving awards will vary with the type of award. Generally, a participant will not recognize income, and the Company is not entitled to take a deduction, upon the grant of an incentive stock option, a nonqualified option, a SAR or a restricted share award. A participant will not have taxable income upon exercising an incentive stock option (except that the alternative minimum tax may apply). Upon exercising an option other than an incentive stock option, the participant must generally recognize ordinary income equal to the difference between the exercise price and fair market value of the freely transferable and non-forfeitable shares of Common Stock acquired on the date of exercise.

If a participant sells shares of Common Stock acquired upon exercise of an incentive stock option before the end of two years from the date of grant and one year from the date of exercise, the participant must generally recognize ordinary income equal to the difference between (i) the fair market value of the shares of Common Stock at the date of exercise of the incentive stock option (or, if less, the amount realized upon the disposition of the incentive stock option shares of Common Stock), and (ii) the exercise price. Otherwise, a participant's disposition of shares of Common Stock acquired upon the exercise of an option (including an incentive stock option for which the incentive stock option holding period is met) generally will result in short-term or long-term capital gain or loss measured by the difference between the sale price and the participant's tax basis in such shares of Common Stock (the tax basis generally being the exercise price plus any amount previously recognized as ordinary income in connection with the exercise of the option).

The Company generally will be entitled to a tax deduction equal to the amount recognized as ordinary income by the participant in connection with an option. The Company generally is not entitled to a tax deduction relating to amounts that represent a capital gain to a participant. Accordingly, the Company will not be entitled to any tax deduction with respect to an incentive stock option if the participant holds the shares of Common Stock for the incentive stock option holding periods prior to disposition of the shares.

Similarly, the exercise of an SAR will result in ordinary income on the value of the stock appreciation right to the individual at the time of exercise. The Company will be allowed a deduction for the amount of ordinary income recognized by a participant with respect to an SAR. Upon a grant of restricted shares, the participant will recognize ordinary income on the fair market value of the Common Stock at the time restricted shares vest unless a participant makes an election under Section 83(b) of the Code to be taxed at the time of grant. The participant also is subject to capital gains treatment on the subsequent sale of any Common Stock acquired through the exercise of an SAR or restricted share award. For this purpose, the participant's basis in the Common Stock is its fair market value at the time the SAR is exercised or the restricted share becomes vested (or is granted, if an election under Section 83(b) is made). Payments made under performance awards are taxable as ordinary income at the time an individual attains the performance goals and the payments are made available to, and are transferable by, the participant.

The foregoing discussion is general in nature and is not intended to be a complete description of the Federal income tax consequences of the Equity Incentive Plan. This discussion does not address the effects of other Federal taxes or taxes imposed under state, local or foreign tax laws. Participants in the Equity Incentive Plan are urged to consult a tax advisor as to the tax consequences of participation.

The Equity Incentive Plan is not intended to be a "qualified plan" under Section 401(a) of the Code.

**THE BOARD RECOMMENDS THAT YOU VOTE "FOR" APPROVAL OF THE MOUNTAIN
COMMERCE BANCORP, INC. 2020 EQUITY INCENTIVE PLAN**

**ITEM 3 - APPROVAL OF THE CHARTER AMENDMENT TO INCREASE THE NUMBER OF
AUTHORIZED SHARES OF COMMON STOCK**

The Company's Charter, as amended, currently authorizes the issuance of 11,000,000 shares of capital stock, with 10,000,000 shares reserved for Common Stock and 1,000,000 shares reserved for preferred stock. As of March 31, 2020, 6,286,003 shares of Common Stock were issued and outstanding.

On March 26, 2020, the Board unanimously approved and adopted, subject to shareholder approval, Charter Amendment, providing for an increase in the authorized number of shares of capital stock from 11,000,000 to 21,000,000 with 20,000,000 shares reserved for Common Stock and 1,000,000 shares reserved for preferred stock. In order for the amendment to the Company's Charter to be approved, the number of shares of Common Stock voted in favor of the amendment must exceed the number of shares of Common Stock voted against the amendment.

If this proposal is approved by the Company's shareholders at the Meeting, the amendment to the Charter will become effective upon the filing of Articles of Amendment with the Secretary of State of Tennessee, a copy of which is attached hereto as Appendix B and incorporated herein by reference, which filing is expected to take place shortly after the Annual Meeting. The Board believes that it is in the best interests of the Company and all of its shareholders to amend the Charter.

Except as set forth below, the relative rights of the holders of Common Stock under the Charter would remain unchanged. Article II of the Charter, as amended by the proposed amendment, is set forth below:

"The Corporation shall have authority to issue twenty-one million (21,000,000) shares of capital stock, which shall be divided into classes and shall have the following designations, preferences, limitations and relative rights:

- A. *Common Stock.* One class shall consist of twenty million (20,000,000) shares of common stock of \$0.01 par value per share, designated "Common Stock." The holders of the Common Stock shall be entitled to elect the members of the Board of

Directors of the Corporation, and such holders shall be entitled to vote as a class on all matters required or permitted to be submitted to the shareholders of the Corporation.”

The Board of Directors believes that with the current level of authorized capital stock, the Company is constrained in its ability to pursue strategies intended to support its planned growth and to enhance shareholder value. The Board of Directors considers the proposed increase in the number of authorized shares of Common Stock desirable because it would give the Company the necessary flexibility to issue Common Stock in connection with acquisitions, equity financings, the Company’s equity incentive plans, stock dividends and splits, and for other general corporate purposes. The Company currently has no oral or written plans, arrangements or understandings for the issuance of the additional shares of Common Stock to be authorized pursuant to this proposal.

The Charter Amendment will ensure that the Company will continue to have an adequate number of authorized and unissued shares of Common Stock available for future use. As is the case with the shares of Common Stock which are currently authorized but unissued, if this Charter Amendment is adopted by the shareholders, the Board will have authority to issue the additional shares of Common Stock from time to time without further action on the part of shareholders except as may be required by applicable law or by the rules of any stock exchange or market on which the Company’s securities may then be listed or authorized for quotation.

The additional number of authorized shares could have the effect of making it more difficult for a third party to take over the Company in a transaction not approved by the Board. Shareholders do not have any preemptive or other rights to subscribe for any shares of Common Stock which may in the future be issued by the Company.

**THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE “FOR”
APPROVAL OF THE PROPOSED AMENDMENT TO THE COMPANY’S CHARTER TO
INCREASE THE NUMBER OF AUTHORIZED SHARES OF COMMON STOCK.**

ITEM 4 - RATIFICATION OF INDEPENDENT AUDITORS

The Audit Committee has appointed Dixon Hughes Goodman, LLP as the Company’s independent public accounting firm for the fiscal year ending December 31, 2020. Dixon Hughes Goodman is a full-service firm of certified public accountants with expertise in bank holding company auditing.

It is anticipated that a representative of Dixon Hughes Goodman will be present at the Meeting to respond to appropriate questions. Such representative will have an opportunity to make a statement at the Meeting if the representative desires to do so.

If the Company’s shareholders do not ratify the appointment of Dixon Hughes Goodman, the Audit Committee will reconsider the appointment and may affirm the appointment or retain another independent accounting firm. If the appointment is ratified, the Audit Committee may in the future replace Dixon Hughes Goodman as the Company’s independent public accounting firm if it is determined that it is in the Company’s best interest to do so.

The Board of Directors recommends a vote FOR the ratification of the appointment of Dixon Hughes Goodman, LLP as the Company’s independent public accounting firm for the fiscal year ending December 31, 2020.

INDEBTEDNESS AND CERTAIN TRANSACTIONS

In calendar year 2019 and through the date of this proxy statement, there were transactions between the Bank and certain officers and directors of the Company and the Bank and their known associates, all consisting of extensions of credit by the Bank in the ordinary course of its business or deposit relationships. Each transaction was made on substantially the same terms, including interest rates, collateral, and repayment terms, as those prevailing at the time for comparable transactions with the general public. In the opinion of management, none of the transactions involving loans or other extensions of credit involved more than the normal risk of collectability or presents other unfavorable features. Thus, the Bank has had, and the Bank expects to have in the future, banking transactions in the ordinary course of its business with the officers and directors of the Company and the Bank and their associates on the same terms, including interest rate, collateral, and repayment terms on loans, as those prevailing at the same time for comparable transactions with others.

OTHER MATTERS

The Board knows of no other matters that may be brought before the Meeting. If, however, any matters other than those set forth in this proxy statement should properly come before the Meeting, votes will be cast pursuant to the proxies in accordance with the best judgment of the proxy holders.

If you cannot be present in person, you are requested to complete, sign, date, and return the enclosed proxy card promptly or vote on the Internet as outlined in the proxy card. An envelope has been provided for the purpose of voting through the mail. No postage is required if mailed in the United States.

SHAREHOLDER PROPOSALS AND DIRECTOR NOMINEES FOR THE 2021 ANNUAL MEETING OF SHAREHOLDERS

The Company's Bylaws establish an advance notice procedure with regard to shareholder proposals and director nominations. If a shareholder wishes to present a proposal before the 2021 Annual Meeting of Shareholders, such shareholder must meet the eligibility standards set out in the Company's Bylaws and must give written notice to the Company's corporate secretary at the Company's principal business address not less than 120 days nor more than 150 days prior to June 4, 2020. The shareholder's submission must include certain specified information concerning the proposal and the shareholder, including such shareholder's ownership of the Company's Common Stock, as described in more detail in the Company's Bylaws. Similarly, if a shareholder desires to nominate a director for consideration at the Company's 2021 Annual Meeting of Shareholders, such shareholder must meet the eligibility standards set out in the Company's Bylaws and must give written notice of the nominee to the Company's corporate secretary at the Company's principal business address not less than 120 days nor more than 150 days prior to June 4, 2021. The shareholder's notice must include certain information regarding the shareholder and the proposed nominee, in each case, as described in more detail in the Company's Bylaws.

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Appendix A

MOUNTAIN COMMERCE BANCORP, INC. 2020 EQUITY INCENTIVE PLAN

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MOUNTAIN COMMERCE BANCORP, INC.
2020 EQUITY INCENTIVE PLAN

Section 1. Purpose.

This plan shall be known as the “The Mountain Commerce Bancorp, Inc. 2020 Equity Incentive Plan” (the “Plan”). The purpose of the Plan is to promote the interests of Mountain Commerce Bancorp, Inc., a Tennessee corporation (the “Company”) and its shareholders by (i) attracting and retaining key officers, employees and directors of, and consultants to, the Company and its Subsidiaries and Affiliates; (ii) enabling such individuals to participate in the long-term growth and financial success of the Company; (iii) encouraging ownership of stock in the Company by such individuals; and (iv) linking their compensation to the long-term interests of the Company and its shareholders.

Section 2. Definitions.

As used in the Plan, the following terms shall have the meanings set forth below:

2.1 **“Affiliate”** means (i) any entity that, directly or indirectly, is controlled by the Company, (ii) any entity in which the Company has a significant equity interest, (iii) an affiliate of the Company, as defined in Rule 12b-2 promulgated under Section 12 of the Exchange Act; and (iv) any entity in which the Company has at least twenty percent (20%) of the combined voting power of the entity’s outstanding voting securities, in each case as designated by the Board as being a participating employer in the Plan.

2.2 **“Award”** means any Option, Stock Appreciation Right, Restricted Share Award, Restricted Share Unit, or Other Stock-Based Award granted under the Plan, whether singly, in combination or in tandem, to a Participant by the Committee (or the Board) pursuant to such terms, conditions, restrictions and/or limitations, if any, as the Committee (or the Board) may establish or which are required by applicable legal requirements.

2.3 **“Award Agreement”** means any written agreement, contract or other instrument or document evidencing any Award, which may, but need not, be executed or acknowledged by a Participant.

2.4 **“Board”** means the Board of Directors of the Company.

2.5 **“Cause”** means, unless otherwise defined in the applicable Award Agreement, conduct amounting to:

- (1) fraud or dishonesty against the Company or any Subsidiary;
- (2) Participant’s willful misconduct, repeated refusal to follow the reasonable directions of the person to whom the Participant reports or knowing violation of law in the course of performance of the duties of Participant’s service with the Company or any Subsidiary;
- (3) repeated absences from work without a reasonable excuse;
- (4) repeated intoxication with alcohol or drugs while on the Company’s or any Subsidiary’s premises during regular business hours;
- (5) a conviction or plea of guilty or nolo contendere to a felony or a crime involving dishonesty; or
- (6) a breach or violation of the terms of any agreement to which Participant and the Company or any Subsidiary are party.

2.6 **“Change in Control”** means, unless otherwise provided in the applicable Award Agreement, the happening of one of the following events:

- (1) the acquisition by any Person, including a “group” within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of voting securities of the Company where such acquisition causes any such Person to

own fifty percent (50%) or more of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of the Company's directors;

(2) within any twelve-month period, the persons who were directors of the Company immediately before the beginning of such twelve-month period (the "Incumbent Directors") shall cease to constitute at least a majority of the Board, provided that any director who was not a director at the beginning of such twelve-month period shall be deemed to be an Incumbent Director if that director was elected to the Board by, or on the recommendation of or with the approval of, at least two-thirds (2/3) of the directors who then qualified as Incumbent Directors; and provided further that no director whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of directors shall be deemed to be an Incumbent Director;

(3) a reorganization, merger or consolidation, with respect to which Persons who were the shareholders of the Company immediately prior to such reorganization, merger or consolidation do not, immediately thereafter, own more than fifty percent (50%) of the combined voting power entitled to vote in the election of directors of the reorganized, merged or consolidated entity's then outstanding voting securities; or

(4) the sale, transfer or assignment of all or substantially all of the assets of the Company to any third party; provided, however, that the Company's IPO, any subsequent public offering or another capital raising event, acquisition by an employee benefit plan (or a trust forming a part thereof) maintained by the Company or any Subsidiary, or a merger effected solely to change the Company's domicile shall not constitute a Change in Control.

Unless otherwise provided in an applicable Award Agreement, solely for the purpose of determining the timing of any payments pursuant to any Award constituting a "deferral of compensation" subject to Section 409A of the Code, a Change in Control shall be limited to a "change in the ownership of the Company," a "change in the effective control of the Company," or a "change in the ownership of a substantial portion of the assets of the Company" as such terms are defined in Section 1.409A-3(i)(5) of the U.S. Treasury Regulations. No Award Agreement shall define a Change in Control in such a manner that a Change in Control would be deemed to occur prior to the actual consummation of the event or transaction that results in a change of control of the Company (e.g., upon the announcement, commencement, or stockholder approval of any event or transaction that, if completed, would result in a change in control of the Company).

2.7 **"Code"** means the Internal Revenue Code of 1986, as amended from time to time.

2.8 **"Committee"** means the Compensation Committee of the Board or such other committee as the Board may so designate with responsibility for administering the Plan. If no such committee exists, Committee shall mean the Board. If at any time the Company's Shares become registered with the SEC under the Exchange Act, the Committee shall thereafter be composed of not less than two Non-Employee Directors, at least two of whom shall be a "non-employee director" for purposes of Exchange Act Section 16 and Rule 16b-3 thereunder.

2.9 **"Consultant"** means any consultant to the Company or its Subsidiaries or Affiliates.

2.10 **"Director"** means a member of the Board or a member of the board of directors of any Subsidiary or Affiliate of the Company.

2.11 **"Disability"** means, unless otherwise defined in the applicable Award Agreement or other contractual agreement between the Company or any Subsidiary thereof and the Participant, a disability that would qualify as a total and permanent disability under the Company's then current long-term disability plan. With respect to Awards subject to Section 409A of the Code, unless otherwise defined in the applicable Award Agreement, the term "Disability" shall have the meaning set forth in Section 409A of the Code or the Treasury Regulations adopted with respect thereto, including Section 1.409A-3(i)(4) of the Treasury Regulations.

2.12 **"Early Retirement"** means, unless otherwise provided in the applicable Award Agreement or other contractual agreement between the Company or any Subsidiary thereof and the Participant, retirement of a Participant with the express consent of the Committee at or before the time of such retirement, from active employment with the

Company and any Subsidiary or Affiliate prior to age 65, in accordance with any applicable early retirement policy of the Company then in effect, if any, or as may be approved by the Committee.

2.13 **“Effective Date”** has the meaning provided in Section 15.1 of the Plan.

2.14 **“Employee”** means a current or prospective officer or employee of the Company or of any Subsidiary or Affiliate.

2.15 **“Exchange Act”** means the Securities Exchange Act of 1934, as amended from time to time.

2.16 **“Fair Market Value”** means, as of any date, the value of a Share as determined by the Committee, in its discretion, subject to the following: (i) if, on such date, Shares are listed on a national or regional securities exchange or market system, or Share prices are quoted on the OTCBB, OTCQB or OTCQX, the Fair Market Value of a Share shall be the closing price of a Share (or the mean of the closing bid and asked prices of a Share if the Share price is so quoted instead) as quoted on such national or regional securities exchange, market system or OTCBB, OTCQB or OTCQX constituting the primary market of the Shares, as reported in The Wall Street Journal, the OTCBB, OTCQB or OTCQX or such other source as the Company deems reliable; if the relevant date does not fall on a day on which the Shares have traded over the counter or on such securities exchange or market system, the date on which the Fair Market Value shall be established shall be the last day on which the Shares were so traded prior to the relevant date, or such other appropriate day as shall be determined by the Committee, in its discretion, and (ii) in the event there is no public market for the Shares on such date, the fair market value as determined in good faith by the Board or Committee pursuant to the reasonable application of such reasonable valuation method not inconsistent with Section 409A of the Code as the Board or Committee in its sole discretion shall deem appropriate; provided, however, that, with respect to Incentive Stock Options, “fair market value” shall be determined pursuant to Section 422(c)(7) of the Code, and for purposes of a sale of a Share as of any date, the actual sales price on that date.

2.17 **“Good Reason”** means, unless otherwise provided in an Award Agreement, (i) the assignment of duties to a Participant following a Change in Control that are materially adversely inconsistent with the Participant’s duties immediately prior to a Change in Control, and failure to rescind such assignment within thirty (30) days of receipt of notice from the Participant; (ii) a material reduction in a Participant’s title, authority or reporting status following a Change in Control as compared to such title, authority or reporting status immediately prior to a Change in Control, (iii) a relocation of the office at which the Participant is to perform the majority of his or her duties following a Change in Control to a location more than fifty (50) miles from the location at which the Participant performed such duties prior to the Change in Control; or (iv) a reduction in the Participant’s base salary as in effect immediately prior to a Change in Control or the failure of the Company to pay or cause to be paid any compensation or benefits when due, and failure to restore such annual base salary or make such payments within five (5) days of receipt of notice from the Participant.

2.18 **“Grant Price”** means the price established at the time of grant of an SAR pursuant to Section 6 used to determine whether there is any payment due upon exercise of the SAR.

2.19 **“Incentive Stock Option”** means an option to purchase Shares from the Company that is granted under Section 6 of the Plan and that is intended to meet the requirements of Section 422 of the Code or any successor provision thereto.

2.20 **“Initial Public Offering”** or **“IPO”** means the consummation of the first firm commitment underwritten public offering pursuant to an effective registration statement under the Securities Act covering the offer and sale by the Company of its equity securities, as a result of or following which the Shares shall be publicly held.

2.21 **“Non-Employee Director”** means a member of the Board who is not an officer or employee of the Company or any Subsidiary or Affiliate of the Company.

2.22 **“Non-Qualified Stock Option”** means an option to purchase Shares from the Company that is granted under Sections 6 or 10 of the Plan and is not intended to be an Incentive Stock Option.

2.23 “**Normal Retirement**” means, unless otherwise defined in the applicable Award Agreement or other contractual agreement between the Company or any Subsidiary thereof and the Participant, retirement of a Participant from active employment with the Company or any of its Subsidiaries or Affiliates on or after such Participant’s 65th birthday.

2.24 “**Option**” means an Incentive Stock Option or a Non-Qualified Stock Option.

2.25 “**Option Price**” means the purchase price payable to purchase one Share upon the exercise of an Option.

2.26 “**Other Stock-Based Award**” means any Award granted under Sections 9 or 10 of the Plan.

2.27 “**Outside Director**” means, with respect to the grant of an Award, a member of the Board then serving on the Committee.

2.28 “**Participant**” means any Employee, Director, Consultant or other Person who receives an Award under the Plan.

2.29 “**Performance Award**” means any Award granted under Section 8 of the Plan.

2.30 “**Person**” means any individual, corporation, partnership, limited liability company, association, joint-stock company, trust, unincorporated organization, government or political subdivision thereof or other entity.

2.31 “**Restricted Share**” means any Share granted under Sections 7 to 10 of the Plan.

2.32 “**Restricted Share Unit**” means an unfunded, unsecured right to receive, on the applicable settlement date, one Share or an amount in cash or other consideration determined by the Committee to be of equal value as of such settlement date, subject to certain vesting conditions and other restrictions.

2.33 “**Retirement**” means Normal or Early Retirement.

2.34 “**SEC**” means the Securities and Exchange Commission or any successor thereto.

2.35 “**Section 16**” means Section 16 of the Exchange Act and the rules promulgated thereunder and any successor provision thereto as in effect from time to time.

2.36 “**Securities Act**” means the Securities Act of 1933, as amended from time to time.

2.37 “**Separation from Service**” or “**Separates from Service**” shall have the meaning ascribed to such term pursuant to Section 409A of the Code and the regulations promulgated thereunder.

2.38 “**Shares**” means shares of the common stock, par value \$0.01 per share, of the Company, or any security into which such shares may be converted by reason of any event of the type referred to in Sections 4.2, 12.2, and 13.3.

2.39 “**Share Reserve**” has the meaning set forth in Section 4.1 hereof.

2.40 “**Specified Employee**” has the meaning ascribed to such term pursuant to Section 409A of the Code and the regulations promulgated thereunder.

2.41 “**Stock Appreciation Right**” or “**SAR**” means a stock appreciation right granted under Sections 6 or 10 of the Plan that entitles the holder to receive, with respect to each Share encompassed by the exercise of such SAR, the amount determined by the Committee and specified in an Award Agreement. In the absence of such a determination, the holder shall be entitled to receive, with respect to each Share encompassed by the exercise of such SAR, the excess of the Fair Market Value of such Share on the date of exercise over the Grant Price.

2.42 “**Subsidiary**” means any Person (other than the Company) of which 50% or more of its voting power or its equity securities or equity interest is owned directly or indirectly by the Company.

2.43 “**Substitute Awards**” means Awards granted solely in assumption of, or in substitution for, outstanding awards previously granted by a company acquired by the Company or with which the Company combines.

Section 3. Administration.

3.1 *Authority of Committee.* The Plan shall be administered by the Board, or at the direction of the Board, by the Committee, which shall be appointed by and serve at the pleasure of the Board; provided, however, with respect to Awards to Outside Directors, all references in the Plan to the Committee shall be deemed to be references to the Board. Subject to the terms of the Plan and applicable law, and in addition to other express powers and authorizations conferred on the Committee by the Plan, the Committee shall have full and final power and authority in its discretion (and in accordance with Section 409A of the Code with respect to Awards subject thereto) to: (i) designate Participants; (ii) determine eligibility for participation in the Plan and decide all questions concerning eligibility for and the amount of Awards under the Plan; (iii) determine the type or types of Awards to be granted to a Participant; (iv) determine the number of Shares to be covered by, or with respect to which payments, rights or other matters are to be calculated in connection with Awards; (v) determine the timing, terms, and conditions of any Award; (vi) accelerate the time at which all or any part of an Award may be settled or exercised; (vii) determine whether, to what extent, and under what circumstances Awards may be settled or exercised in cash, Shares, other securities, other Awards or other property, or canceled, forfeited or suspended and the method or methods by which Awards may be settled, exercised, canceled, forfeited or suspended; (viii) determine whether, to what extent, and under what circumstances cash, Shares, other securities, other Awards, other property, and other amounts payable with respect to an Award shall be deferred either automatically or at the election of the holder thereof or of the Committee; (ix) grant Awards as an alternative to, or as the form of payment for grants or rights earned or payable under, other bonus or compensation plans, arrangements or policies of the Company or a Subsidiary or Affiliate; (x) grant Substitute Awards on such terms and conditions as the Committee may prescribe, subject to compliance with the Incentive Stock Option rules under Section 422 of the Code and the nonqualified deferred compensation rules under Section 409A of the Code, where applicable; (xi) make all determinations under the Plan concerning any Participant’s Separation from Service with the Company or a Subsidiary or Affiliate, including whether such separation occurs by reason of Cause, Good Reason, Disability, Retirement, or in connection with a Change in Control and whether a leave constitutes a Separation from Service; (xii) interpret and administer the Plan and any instrument or agreement relating to, or Award made under, the Plan; (xiii) subject to the terms of the Plan (including any restrictions imposed by Section 409A of the Code) to extend at any time the period in which an Option may be exercised; (xiv) impose any limitations on Awards, including limitations on transfers, repurchase provisions and the like, and to exercise repurchase rights or obligations; (xv) except to the extent prohibited by any provision of the Plan, amend or modify the terms of any Award at or after grant with or without the consent of the holder of the Award; (xvi) establish, amend, suspend or waive such rules and regulations and appoint such agents as it shall deem appropriate for the proper administration of the Plan; (xvii) adopt special guidelines and provisions for Persons who are residing in, employed in or subject to the taxes of any domestic or foreign jurisdiction to comply with applicable tax and securities laws of such domestic or foreign jurisdiction; and (xviii) correct any defect, supply any omission, or reconcile any inconsistency in the Plan or in any agreement related thereto or make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan, subject to the exclusive authority of the Board under Section 13 hereunder to amend or terminate the Plan.

The express grant in the Plan of any specific power to the Committee shall not be construed as limiting any power or authority of the Committee; provided that the Committee may not exercise any right or power reserved to the Board. All designations, determinations, interpretations, and other decisions under or with respect to the Plan or any Award shall be within the sole discretion of the Committee, may be made at any time and shall be final, conclusive, and binding upon all Persons, including the Company, any Subsidiary or Affiliate, any Participant and any holder or beneficiary of any Award.

3.2 *Committee Discretion Binding.* Unless otherwise expressly provided in the Plan, all designations, determinations, interpretations, and other decisions under or with respect to the Plan or any Award shall be within the sole discretion of the Committee, may be made at any time and shall be final, conclusive, and binding upon all Persons,

including the Company, any Subsidiary or Affiliate, any Participant and any holder or beneficiary of any Award. The Committee shall have no obligation to treat Participants or eligible Participants uniformly, and the Committee may make determinations under the Plan selectively among Participants who receive, or Employees or Directors who are eligible to receive, Awards (whether or not such Participants or eligible Employees or Directors are similarly situated). A Participant or other holder of an Award may contest a decision or action by the Committee with respect to such person or Award only on the grounds that such decision or action was arbitrary or capricious or was unlawful, and any review of such decision or action shall be limited to determining whether the Committee's decision or action was arbitrary or capricious or was unlawful.

3.3 *Delegation.* Subject to applicable law, the Committee, in its discretion, may delegate to the Chief Executive Officer of the Company the power to designate non-officer employees to be recipients of Awards, and to determine the number of such Awards to be received by such employees; provided, however, that the resolution so authorizing the Chief Executive Officer shall specify the total number of Awards the Chief Executive Officer may so award and may not delegate to the Chief Executive Officer the authority to set the exercise price or the vesting terms of such Awards. Any such delegation by the Committee shall also provide that the Chief Executive Officer may not grant Awards to himself or herself (or other executive officers) without the approval of the Committee. The Committee may revoke or amend the terms of a delegation at any time but such action shall not invalidate any prior actions of the Committee's delegate that were consistent with the terms of the Plan.

3.4 *No Liability.* No member of the Board or Committee shall be liable for any action taken or determination made in good faith with respect to the Plan or any Award granted hereunder.

Section 4. Shares Available for Awards.

4.1 Shares Available.

(a) Subject to the provisions of Section 4.2 below, the maximum aggregate number of Shares reserved and available for distribution under the Plan shall not exceed 285,500 Shares, which shall include 200,000 newly authorized shares and 85,500 Shares that were authorized under the Mountain Commerce Bancorp, Inc. Equity Incentive Plan (the "2016 Plan") but were not issued under the 2016 Plan as of March 26, 2020 (the "Share Reserve"). After the Effective Date, no new Awards will be made under the 2016 Plan. The number of Shares with respect to which Incentive Stock Options may be granted under this Plan shall be no more than 285,500 (the "ISO Limit").

(b) Notwithstanding the foregoing and subject to adjustment as provided in Section 4.2, the Share Reserve shall be (i) decreased by the number of Shares issued under the 2016 Plan between March 26, 2020 and the Effective Date (as set forth in Section 15.1) and (ii) increased by the number of Shares with respect to which Options or other Awards were granted under the 2016 Plan but which, after March 26, 2020, terminate, expire unexercised or are settled for cash, forfeited or cancelled without the delivery of Shares under the terms of the 2016 Plan (including in connection with the payout of any withholding taxes associated with the vesting or settlement of awards granted under the 2016 Plan). At all times the Company will reserve and keep available a sufficient number of Shares as will be required to satisfy the requirements of all Awards granted and outstanding under this Plan. In the event that the Share Reserve is increased, the ISO Limit shall be automatically increased by such number of Shares. If any Award granted under this Plan (whether before or after the Effective Date of this Plan) shall expire, terminate, be settled in cash or a net number of Shares or otherwise be forfeited or canceled (including in connection with Section 14.6) for any reason before it has vested or been exercised in full, then the Shares covered by such Award, or to which such Award relates, or the number of Shares otherwise counted against the Share Reserve, to the extent of any such forfeiture, termination, settlement, expiration or cancellation, shall be added back to the Share Reserve. Additionally, if an Option or SAR is exercised, in whole or in part, by tender of Shares, or if the Company's tax withholding obligation for any Award is satisfied by withholding Shares, any such Shares shall be added back to the Share Reserve. The Committee may make such other determinations regarding the counting of Shares issued pursuant to this Plan as it deems necessary or advisable, provided that such determinations shall be permitted by law.

4.2 *Adjustments.* Without limiting the Committee's discretion as provided in Section 12 hereof, if there shall occur any change in the capital structure of the Company by reason of any extraordinary dividend or other distribution (whether in the form of cash, Shares, other securities or other property, and other than a normal cash dividend), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of Shares or other securities of the Company, issuance of warrants or other rights to purchase Shares or other securities of the Company, or other corporate transaction or event having an effect similar to the foregoing, affects the Shares, then the Committee shall, in an equitable and proportionate manner as determined by the Committee (and, as applicable, in such manner as is consistent with Sections 422 and 409A of the Code and the regulations thereunder) either: (i) adjust any or all of (1) the aggregate number of Shares or other securities of the Company (or number and kind of other securities or property) with respect to which Awards may be granted under the Plan; (2) the number of Shares or other securities of the Company (or number and kind of other securities or property) subject to outstanding Awards under the Plan, provided that the number of Shares subject to any Award shall always be a whole number; (3) the grant or exercise price with respect to any Award under the Plan, and (4) the limits on the number of Shares or Awards that may be granted to Participants under the Plan in any calendar year; (ii) provide for an equivalent award in respect of securities of the surviving entity of any merger, consolidation or other transaction or event having a similar effect; or (iii) make provision for a cash payment to the holder of an outstanding Award. Any such adjustments to outstanding Awards shall be effected in a manner that precludes the material enlargement or dilution of rights and benefits under such Awards.

4.3 *Substitute Awards.* Any Shares issued by the Company as Substitute Awards in connection with the assumption or substitution of outstanding grants from any acquired corporation shall not reduce the Shares available for Awards under the Plan to the extent that the rules and regulations of any stock exchange or other trading market on which the Shares are listed or traded provide an exemption from shareholder approval for assumption, substitution, conversion, adjustment, or replacement of outstanding awards in connection with mergers, acquisitions, or other corporate combinations.

4.4 *Sources of Shares Deliverable under Awards.* Any Shares delivered pursuant to an Award may consist, in whole or in part, of authorized and unissued Shares or of issued Shares which have been reacquired by the Company.

Section 5. Eligibility.

Any current or prospective Employee, Director or Consultant shall be eligible to be designated a Participant; provided, however, that Outside Directors shall only be eligible to receive Awards granted consistent with Section 10, provided further that the vesting and exercise of an Award to a prospective Employee, Director or Consultant are conditioned upon such individual attaining such status.

Section 6. Stock Options and Stock Appreciation Rights.

6.1 *Grant.* Subject to the provisions of the Plan, the Committee shall have sole and complete authority to determine the Participants to whom Options and SARs shall be granted, the number of Shares subject to each Award, the Option Price or Grant Price and the conditions and limitations applicable to the exercise of each Option and SAR. An Option may be granted with or without a related SAR. An SAR may be granted with or without a related Option. The grant of an Option or SAR shall occur when the Committee by resolution, written consent or other appropriate action determines to grant such Option or SAR for a particular number of Shares to a particular Participant at a particular Option Price or Grant Price, as the case may be, or such later date as the Committee shall specify in such resolution, written consent or other appropriate action. The Committee shall have the authority to grant Incentive Stock Options and to grant Non-Qualified Stock Options. In the case of Incentive Stock Options, the terms and conditions of such grants shall be subject to and comply with Section 422 of the Code, as from time to time amended, and any regulations implementing such statute. An Employee who has been granted an Option under the Plan may be granted additional Options under the Plan if the Committee shall so determine; provided, however, that to the extent the aggregate Fair Market Value (determined at the time the Incentive Stock Option is granted) of the Shares with respect to which all Incentive Stock Options are exercisable for the first time by an Employee during any calendar year (under all plans described in Section 422(d) of the Code of the Employee's employer corporation and its parent and Subsidiaries) exceeds \$100,000, or if Options fail to qualify as Incentive Stock Options for any other reason, such Options shall constitute Non-Qualified Stock Options.

6.2 *Price.* The Committee in its sole discretion shall establish the Option Price at the time each Option is granted and the Grant Price at the time each SAR is granted. Except in the case of Substitute Awards, the Option Price of an Option may not be less than the Fair Market Value of a Share on the date such Option is deemed to have been granted pursuant to Section 6.1, and the Grant Price of an SAR may not be less than the Fair Market Value of a Share on the date such SAR is deemed to have been granted pursuant to Section 6.1. In the case of Substitute Awards or Awards granted in connection with an adjustment provided for in Section 4.2 hereof in the form of Options or SARs, such grants shall have an Option Price (or Grant Price) per Share that is intended to maintain the economic value of the Award that was replaced or adjusted as determined by the Committee. Notwithstanding the foregoing and except as permitted by the provisions of Section 4.2 hereof, the Committee shall not have the power to (i) lower the Option Price of an Option after it is granted, (ii) lower the Grant Price of an SAR after it is granted, (iii) cancel an Option when the Option Price exceeds the Fair Market Value of the underlying Shares in exchange for cash or another Award (other than in connection with a Change in Control or a Substitute Award) and grant substitute Options with a lower Option Price than the cancelled Options, (iv) cancel an SAR when the Grant Price exceeds the Fair Market Value of the underlying Shares in exchange for cash or another Award (other than in connection with a Change in Control or a Substitute Award), or (v) take any other action with respect to an Option or SAR that would be treated as a repricing under the rules and regulations of the principal securities exchange on which the Shares are traded, if any, in each case without the approval of the Company's shareholders.

6.3 *Term.* Subject to the Committee's general authority under the Plan, each Option and SAR and all rights and obligations thereunder shall expire on the date determined by the Committee and specified in the Award Agreement (the "Expiration Date"). The Committee shall be under no duty to provide terms of like duration for Options or SARs granted under the Plan. Notwithstanding the foregoing, but subject to Section 6.4(a) hereof, no Option or SAR shall be exercisable after the expiration of ten (10) years from the date such Option or SAR was granted.

6.4 *Exercise.*

(a) Each Option and SAR shall be exercisable at such times and subject to such terms and conditions as the Committee may, in its sole discretion, specify in the applicable Award Agreement or thereafter. The Committee shall have full and complete authority to determine whether an Option or SAR will be exercisable in full at any time or from time to time during the term of the Option or SAR, or to provide for the exercise thereof in such installments, upon the occurrence of such events and at such times during the term of the Option or SAR as the Committee may determine. The Committee may provide, at or after the grant, that the period of time over which an Option, other than an Incentive Stock Option, or SAR may be exercised shall be automatically extended if on the scheduled expiration of such Award, the Participant's exercise of such Award would violate applicable securities law; provided, however, that during the extended exercise period the Option or SAR may only be exercised to the extent such Award was exercisable in accordance with its terms immediately prior to such scheduled expiration date; provided further, however, that such extended exercise period shall end not later than thirty (30) days after the exercise of such Option or SAR first would no longer violate such laws.

(b) The Committee may impose such conditions with respect to the exercise of Options or SARs, including without limitation, any relating to the application of federal, state or foreign securities laws or the Code, as it may deem necessary or advisable.

(c) An Option or SAR exercisable for Shares may be exercised in whole or in part at any time, with respect to whole Shares only, within the period permitted thereunder for the exercise thereof, and shall be exercised by written notice of intent to exercise the Option or SAR, delivered to the Company at its principal office, and payment in full to the Company at the direction of the Committee of the amount of the Option Price, in the case of an Option, for the number of Shares with respect to which the Option is then being exercised. A Tandem SAR may be exercised only to the extent that the related Option is exercisable and only when the Fair Market Value exceeds the Option Price of the related Option. The exercise of either an Option or Tandem SAR shall result in the termination of the other to the extent of the number of shares with respect to which either the Option or Tandem SAR is exercised. Notwithstanding the foregoing, an Award Agreement may provide, or be amended to provide, that if on the last day of the term of an Option or SAR the Fair Market Value of one Share

exceeds the Option Price or Grant Price, as applicable, of such Award by an amount as may be determined by the Committee, the Participant has not exercised the Option or SAR and the Option or SAR has not otherwise expired, the Option or SAR shall be deemed to have been exercised by the Participant on such day with payment of the Option Price made by withholding Shares otherwise issuable in connection with the exercise of the Option. In such event, the Company shall deliver to the Participant the number of Shares for which the Option was deemed exercised, less the number of Shares required to be withheld for the payment of the total purchase price and required withholding taxes, and any fractional Share shall be settled in cash; and in the case of an SAR, the net number of Shares that the Participant would have received had the Participant actually exercised such SAR on such date.

(d) Payment of the Option Price shall be made in (i) cash or cash equivalents, (ii) at the discretion of the Committee, by transfer, either actually or by attestation, to the Company of unencumbered Shares previously acquired by the Participant, valued at the Fair Market Value of such Shares on the date of exercise (or next succeeding trading date, if the date of exercise is not a trading date), together with any applicable withholding taxes (which taxes may be satisfied in accordance with Section 14.6 of the Plan), such transfer to be upon such terms and conditions as determined by the Committee, (iii) by a combination of (i) or (ii), or (iv) by any other method approved or accepted by the Committee in its sole discretion, including, if the Committee so determines, (x) a cashless (broker-assisted) exercise that complies with applicable laws or (y) with respect to Options other than Incentive Stock Options withholding Shares (net-exercise) otherwise deliverable to the Participant pursuant to the Option having an aggregate Fair Market Value at the time of exercise equal to the total Option Price together with any applicable withholding taxes (which taxes may be satisfied in accordance with Section 14.6). Until the optionee has been issued the Shares subject to such exercise, he or she shall possess no rights as a shareholder with respect to such Shares. The Company reserves, at any and all times in the Company's sole discretion, the right to establish, decline to approve or terminate any program or procedures for the exercise of Options by means of a method set forth in subsection (iv) above, including with respect to one or more Participants specified by the Company notwithstanding that such program or procedures may be available to other Participants.

(e) At the Committee's discretion, the amount payable as a result of the exercise of an SAR may be settled in cash, Shares or a combination of cash and Shares. A fractional Share shall not be deliverable upon the exercise of a SAR but a cash payment will be made in lieu thereof. Unless otherwise determined by the Committee and set forth in an Award Agreement, the exercise of a SAR exercisable for cash shall entitle a Participant to a cash payment, for each such SAR exercised, equal to an amount equal to the excess of (i) the Fair Market Value of a Share on the exercise date over (ii) the Grant Price of the SAR as reflected in the applicable Award Agreement. All payments under this Section 6.4(e) shall be made as soon as practicable, but in no event later than ten (10) business days, after the effective date of the exercise of the SAR.

6.5 *Separation from Service.* Except as otherwise provided in the applicable Award Agreement, an Option or SAR may be exercised only to the extent that it is then exercisable, and if at all times during the period beginning with the date of granting such Award (or if later, the date on which the Participant first became an Employee, Director or Consultant) and ending on the date of exercise of such Award the Participant is an Employee, Non-Employee Director or Consultant, and shall terminate immediately upon a Separation from Service by the Participant. Notwithstanding the foregoing provisions of this Section 6.5 to the contrary, the Committee may determine in its discretion that an Option or SAR may be exercised following any such Separation from Service, whether or not exercisable at the time of such separation; provided, however, that in no event may an Option or SAR be exercised after the expiration date of such Award specified in the applicable Award Agreement, except as provided in Section 6.4(a).

6.6 *Ten Percent Stock Rule.* Notwithstanding any other provisions in the Plan, if at the time an Option is otherwise to be granted pursuant to the Plan, the optionee or rights holder owns directly or indirectly (within the meaning of Section 424(d) of the Code) Shares of the Company possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or its parent or Subsidiary or Affiliate corporations (within the meaning of Section 422(b)(6) of the Code), then any Incentive Stock Option to be granted to such optionee or rights holder pursuant to the Plan shall satisfy the requirement of Section 422(c)(5) of the Code, and the Option Price shall be not less than one hundred ten percent (110%) of the Fair Market Value of the Shares of the Company,

and such Option by its terms shall not be exercisable after the expiration of five (5) years from the date such Option is granted.

Section 7. Restricted Shares and Restricted Share Units.

7.1 *Grant.*

(a) Subject to the provisions of the Plan, the Committee shall have sole and complete authority to determine the Participants to whom Restricted Shares and Restricted Share Units shall be granted, the number of Restricted Shares and/or the number of Restricted Share Units to be granted to each Participant, the duration of the period during which, and the conditions under which, the Restricted Shares and Restricted Share Units may be forfeited to the Company, and the other terms and conditions of such Awards. The Restricted Share and Restricted Share Unit Awards shall be evidenced by Award Agreements in such form as the Committee shall from time to time approve, which agreements shall comply with and be subject to the terms and conditions provided hereunder and any additional terms and conditions established by the Committee that are consistent with the terms of the Plan.

(b) Each Restricted Share and Restricted Share Unit Award made under the Plan shall be for such number of Shares as shall be determined by the Committee and set forth in the Award Agreement containing the terms of such Restricted Share or Restricted Share Unit Award. Such agreement shall set forth a period of time during which the Participant receiving such Award must remain in the continuous employment (or other service-providing capacity) of the Company in order for the forfeiture and transfer restrictions to lapse. If the Committee so determines, the restrictions may lapse during such restricted period in installments with respect to specified portions of the Shares covered by the Restricted Share or Restricted Share Unit Award. The Award Agreement may also, in the discretion of the Committee, set forth performance or other conditions that will subject the Shares to forfeiture and transfer restrictions. The Committee may, at its discretion, waive all or any part of the restrictions applicable to any or all outstanding Restricted Share and Restricted Share Unit Awards.

7.2 *Delivery of Shares and Transfer Restrictions.*

(a) At the time a Restricted Share Award is granted, a certificate representing the number of Shares awarded thereunder shall be registered in the name of the Participant receiving such Award. Such certificate shall be held by the Company or any custodian appointed by the Company for the account of the Participant receiving such Award subject to the terms and conditions of the Plan, and shall bear such a legend setting forth the restrictions imposed thereon as the Committee, in its discretion, may determine. The foregoing to the contrary notwithstanding, the Committee may, in its discretion, provide that a Participant's ownership of Restricted Shares prior to the lapse of any transfer restrictions or any other applicable restrictions shall, in lieu of such certificates, be evidenced by a "book entry" (*i.e.*, a computerized or manual entry) in the records of the Company or its designated agent in the name of the Participant who has received such Award, and confirmation and account statements sent to the Participant with respect to such book-entry Shares may bear the restrictive legend referenced in the preceding sentence. Such records of the Company or such agent shall, absent manifest error, be binding on all Participants who receive Restricted Share Awards evidenced in such manner. The holding of Restricted Shares by the Company or such an escrow holder, or the use of book entries to evidence the ownership of Restricted Shares, in accordance with this Section 7.2(a), shall not affect the rights of Participants as owners of the Restricted Shares awarded to them, nor affect the restrictions applicable to such shares under the Award Agreement or the Plan, including the transfer restrictions.

(b) Unless otherwise provided in the applicable Award Agreement, the Participant receiving an Award of Restricted Shares shall have all rights of a shareholder with respect to the Restricted Shares, including the right to receive dividends and the right to vote such Shares, subject to the following restrictions: (i) the Participant shall not be entitled to delivery of the stock certificate (or unrestricted book entry position) until the expiration of the restricted period and the fulfillment of any other restrictive conditions set forth in the Award Agreement with respect to such Shares; (ii) none of the Shares may be sold, assigned, transferred, pledged, hypothecated or otherwise encumbered or disposed of during such restricted period or until after the fulfillment of any such other restrictive conditions; (iii) the Committee shall determine whether and under what conditions

during the restricted period the Participant shall have the right to vote such shares or to receive dividends, or whether such dividends on Restricted Shares shall be held in escrow; and (iv) except as otherwise determined by the Committee at or after grant, all of the Shares (and any escrowed dividends) shall be forfeited and all rights of the Participant to such Shares shall terminate, without further obligation on the part of the Company, unless the Participant remains in the continuous employment (or service providing capacity) of the Company for the entire restricted period in relation to which such Shares were granted and unless any other restrictive conditions relating to the Restricted Share Award are met. Restricted Share Units shall be subject to similar transfer restrictions as Restricted Share Awards, except that no Shares are actually awarded to a Participant who is granted Restricted Share Units on the date of grant, and such Participant shall have no rights of a shareholder with respect to such Restricted Share Units until the restrictions set forth in the applicable Award Agreement have lapsed. Any share, any other securities of the Company and any other property (except for cash dividends, which shall be subject to such restrictions as the Committee may determine in its discretion) distributed with respect to the Shares subject to Restricted Share Awards shall be subject to the same restrictions, terms and conditions as such Restricted Shares. Notwithstanding the foregoing, upon a Separation from Service the Company will recoup, recapture, recover or set off (out of amounts otherwise payable or paid to a Participant) or otherwise require the repayment of the amount of all dividends previously paid to such Participant on Restricted Shares forfeited upon such Separation from Service.

7.3 *Termination of Restrictions.* At the end of the restricted period and provided that any other restrictive conditions of the Restricted Share Award are met, or at such earlier time as otherwise determined by the Committee, all restrictions set forth in the Award Agreement relating to the Restricted Share Award or in the Plan shall lapse as to the Restricted Shares subject thereto, and a stock certificate for the appropriate number of Shares, free of the restrictions and restricted stock legend, shall be delivered to the Participant or the Participant's beneficiary or estate, as the case may be (or, in the case of book-entry Shares, such restrictions and restricted stock legend shall be removed from the confirmation and account statements delivered to the Participant or the Participant's beneficiary or estate, as the case may be, in book-entry form). The Company shall have the right to repurchase Restricted Shares at their original issuance price or other stated or formula price (or to require forfeiture of such Shares if issued at no cost) in the event that conditions specified in the Award Agreement with respect to such Restricted Shares are not satisfied prior to the end of the applicable restricted period.

7.4 *Payment of Restricted Share Units.* Each Restricted Share Unit shall have a value equal to the Fair Market Value of a Share. Restricted Share Units may be paid in cash, Shares, other securities or other property, as determined in the sole discretion of the Committee, upon the lapse of the restrictions applicable thereto, or otherwise in accordance with the applicable Award Agreement. The applicable Award Agreement shall specify whether a Participant will be entitled to receive dividend equivalent rights in respect of Restricted Share Units at the time of any payment of dividends to shareholders on Shares. If the applicable Award Agreement specifies that a Participant will be entitled to dividend equivalent rights, (i) the amount of any such dividend equivalent right shall equal the amount that would be payable to the Participant as a shareholder in respect of a number of Shares equal to the number of vested Restricted Share Units then credited to the Participant, and (ii) any such dividend equivalent right shall be paid in accordance with the Company's payment practices as may be established from time to time and as of the date on which such dividend would have been payable in respect of outstanding Shares (and in accordance with Section 409A of the Code with regard to Awards subject thereto); provided, that no dividend equivalents shall be currently paid on Restricted Share Units that are not yet vested. Accordingly, prior to the distribution thereof, any dividend equivalents not yet paid to a Participant shall be subject to the same conditions and restrictions as the Restricted Share Units on which the dividend equivalents have been credited and in the event that dividend equivalents are credited on Restricted Share Units that a Participant subsequently forfeits, the dividend equivalents on such Restricted Share Units shall also be forfeited. Except as otherwise determined by the Committee at or after grant, Restricted Share Units may not be sold, assigned, transferred, pledged, hypothecated or otherwise encumbered or disposed of, and all Restricted Share Units and all rights of the grantee to such Restricted Share Units shall terminate, without further obligation on the part of the Company, unless the Participant remains in continuous employment or service providing capacity of the Company for the entire restricted period in relation to which such Restricted Share Units were granted and unless any other restrictive conditions relating to the Restricted Share Unit Award are met.

Section 8. Performance Awards.

8.1 *Grant.* The Committee shall have sole and complete authority to determine the Participants who shall receive a Performance Award, which shall consist of a right that is (i) denominated in cash or Shares (including but not limited to Restricted Shares or Restricted Share Units), (ii) valued, as determined by the Committee, in accordance with the achievement of such performance goals during such performance periods as the Committee shall establish, and (iii) payable at such time and in such form as the Committee shall determine.

8.2 *Terms and Conditions.* Subject to the terms of the Plan and any applicable Award Agreement, the Committee shall determine the performance goals to be achieved during any performance period, the length of any performance period, the amount of any Performance Award and the amount and kind of any payment or transfer to be made pursuant to any Performance Award, and may amend specific provisions of the Performance Award; provided, however, that such amendment may not adversely affect existing Performance Awards made within a performance period commencing prior to implementation of the amendment.

8.3 *Payment of Performance Awards.* Performance Awards may be paid in a lump sum or in installments following the close of the performance period or, in accordance with the procedures established by the Committee, on a deferred basis. Except as otherwise determined by the Committee at or after grant, Separation from Service prior to the end of any performance period, other than for reasons of death or Disability, will result in the forfeiture of the Performance Award, and no payments will be made. Notwithstanding the foregoing, the Committee may in its discretion, waive any performance goals and/or other terms and conditions relating to a Performance Award. A Participant's rights to any Performance Award may not be sold, assigned, transferred, pledged, hypothecated or otherwise encumbered or disposed of in any manner, except by will or the laws of descent and distribution, and/or except as the Committee may determine at or after grant.

Section 9. Other Stock-Based Awards.

The Committee shall have the authority to determine the Participants who shall receive an Other Stock-Based Award, which shall consist of any right that is (i) not an Award described in Sections 6, 7 and 8 above and (ii) an Award of Shares or an Award denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, Shares (including, without limitation, securities convertible into Shares), as deemed by the Committee to be consistent with the purposes of the Plan. Subject to the terms of the Plan and any applicable Award Agreement, the Committee shall determine the terms and conditions of any such Other Stock-Based Award.

Section 10. Non-Employee Director and Outside Director Awards.

10.1 *Non-Employee Director Awards.* The Board may provide that all or a portion of a Non-Employee Director's annual retainer, meeting fees and/or other awards or compensation as determined by the Board, be payable (either automatically or at the election of a Non-Employee Director) in the form of Non-Qualified Stock Options, Restricted Shares, Restricted Share Units and/or Other Stock-Based Awards, including unrestricted Shares. The Board shall determine the terms and conditions of any such Awards, including the terms and conditions which shall apply upon a termination of the Non-Employee Director's service as a member of the Board, and shall have full power and authority in its discretion to administer such Awards, subject to the terms of the Plan and applicable law.

10.2 *Outside Director Awards.* The Board may also grant Awards to Outside Directors pursuant to the terms of the Plan, including any Award described in Sections 6, 7, 8 and 9 above. With respect to such Awards, all references in the Plan to the Committee shall be deemed to be references to the Board.

Section 11. Separation from Service.

11.1 The Committee shall have the full power and authority to determine the terms and conditions that shall apply to any Award upon a Separation from Service with the Company, its Subsidiaries and Affiliates, including a separation from the Company with or without Cause, by a Participant voluntarily, including for Good Reason, or by reason of death, Disability, Early Retirement or Normal Retirement, and may provide such terms and conditions in the Award Agreement or in such rules and regulations as it may prescribe.

11.2 Unless otherwise provided in this Plan, an Award Agreement, or by a contractual agreement between the Company or a Subsidiary and a Participant, if a Participant's employment with or service to the Company or a Subsidiary terminates before the restrictions imposed on the Award lapse, the performance goals have been satisfied or the Award otherwise vests, such Award shall be forfeited.

Section 12. Change in Control.

12.1 *Accelerated Vesting.* The Committee or, with respect to Awards granted pursuant to Section 10, the Board, may (in accordance with Section 409A, to the extent applicable), in its discretion, provide in any Award Agreement, or, in the event of a Change in Control, may take such actions as it deems appropriate to provide, for the acceleration of the exercisability, vesting and/or settlement in connection with such Change in Control of each or any outstanding Award or portion thereof and Shares acquired pursuant thereto upon such conditions (if any), including termination of the Participant's service prior to, upon, or following such Change in Control, to such extent as the Committee shall determine. In the event of a Change of Control, and without the consent of any Participant, the Committee may, in its discretion, provide that for a period of at least fifteen (15) days prior to the Change in Control, any Options or Stock Appreciation Rights shall be exercisable as to all Shares subject thereto and that upon the occurrence of the Change in Control, such Stock Options or Stock Appreciation Rights shall terminate and be of no further force and effect.

12.2 *Assumption, Continuation or Substitution.* In the event of a Change in Control, the surviving, continuing, successor, or purchasing corporation or other business entity or parent thereof, as the case may be (the "Acquiror"), may (in accordance with Section 409A, to the extent applicable), without the consent of any Participant, either assume or continue the Company's rights and obligations under each or any Award or portion thereof outstanding immediately prior to the Change in Control or substitute for each or any such outstanding Award or portion thereof a substantially equivalent award with respect to the Acquiror's stock, as applicable; provided, that in the event of such an assumption, the Acquiror must modify the terms of any such assumed Award to provide that if the Participant's employment (or, in the case of a Director, service on the Board) with the Company, the Acquiror or any Subsidiary or Affiliate of the Company or the Acquiror is terminated for any reason within twelve months following the Change in Control, such assumed Award shall vest, become immediately exercisable and payable and all restrictions with respect thereto shall be lifted in each case upon the such termination. For purposes of this Section, if so determined by the Committee, in its discretion, an Award denominated in Shares shall be deemed assumed if, following the Change in Control, the Award (as adjusted, if applicable, pursuant to Section 4.2 hereof) confers the right to receive, subject to the terms and conditions of the Plan and the applicable Award Agreement, for each Share subject to the Award immediately prior to the Change in Control, the consideration (whether stock, cash, other securities or property or a combination thereof) to which a holder of a Share on the effective date of the Change in Control was entitled; provided, however, that if such consideration is not solely common stock of the Acquiror, the Committee may, with the consent of the Acquiror, provide for the consideration to be received upon the exercise or settlement of the Award, for each Share subject to the Award, to consist solely of common stock of the Acquiror equal in Fair Market Value to the per share consideration received by holders of Shares pursuant to the Change in Control.

12.3 *Cash-Out of Awards.* The Committee may (in accordance with Section 409A, to the extent applicable), in its discretion at or after grant and without the consent of any Participant, determine that, upon the occurrence of a Change in Control, each or any Award or a portion thereof outstanding immediately prior to the Change in Control and not previously exercised or settled shall be canceled in exchange for a payment with respect to each vested Share including pursuant to Section 12.1 subject to such Award in (i) cash, (ii) stock of the Company or of a corporation or other business entity a party to the Change in Control, or (iii) other property which, in any such case, shall be in an amount having a Fair Market Value equal to the Fair Market Value of the consideration to be paid per Share in the Change in Control, reduced by the exercise or purchase price per share, if any, under such Award (which payment may, for the avoidance of doubt, be \$0, in the event the per share exercise or purchase price of an Award is greater than the per share consideration in connection with the Change in Control). In the event such determination is made by the Committee, the amount of such payment (reduced by applicable withholding taxes, if any), if any, shall be paid to Participants in respect of the vested portions of their canceled Awards as soon as practicable following the date of the Change in Control and may be paid in respect of the unvested portions of their canceled Awards in accordance with the vesting schedules applicable to such Awards.

12.4 *Performance Awards.* The Committee may (in accordance with Section 409A, to the extent applicable), in its discretion at or after grant, provide that in the event of a Change in Control, (i) any outstanding Performance Awards relating to performance periods ending prior to the Change in Control which have been earned but not paid shall become immediately payable, (ii) all then-in-progress performance periods for Performance Awards that are outstanding shall end, and either (A) any or all Participants shall be deemed to have earned an award equal to the relevant target award opportunity for the performance period in question, or (B) at the Committee's discretion, the Committee shall determine the extent to which performance criteria have been met with respect to each such Performance Award, if at all, and (iii) the Company shall cause to be paid to each Participant such partial or full Performance Awards, in cash, Shares or other property as determined by the Committee, within thirty (30) days of such Change in Control, based on the Change in Control consideration, which amount may be zero if applicable. In the absence of such a determination, any Performance Awards relating to performance periods that will not have ended as of the date of a Change in Control shall be terminated and canceled for no further consideration.

Section 13. Amendment and Termination.

13.1 *Amendments to the Plan.* The Board may amend, alter, suspend, discontinue or terminate the Plan or any portion thereof at any time (and in accordance with Section 409A of the Code with regard to Awards subject thereto); provided that no such amendment, alteration, suspension, discontinuation or termination shall be made without shareholder approval if such approval is necessary to comply with any tax or regulatory requirement for which or with which the Board deems it necessary or desirable to comply.

13.2 *Amendments to Awards.* Subject to the terms of the Plan, the Committee may waive any conditions or rights under, amend any terms of or alter, suspend, discontinue, cancel or terminate, any Award theretofore granted, prospectively or retroactively in time (and in accordance with Section 409A of the Code with regard to Awards subject thereto); provided that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would materially and adversely affect the rights of any Participant or any holder or beneficiary of any Award theretofore granted shall not to that extent be effective without the consent of the affected Participant, holder or beneficiary.

13.3 *Adjustments of Awards upon the Occurrence of Certain Unusual or Nonrecurring Events.* The Committee is hereby authorized to make equitable and proportionate adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or nonrecurring events (and shall make such adjustments for the events described in Section 4.2 hereof) affecting the Company, any Subsidiary or Affiliate, or the financial statements of the Company or any Subsidiary or Affiliate, or of changes in applicable laws, regulations or accounting principles.

Section 14. General Provisions.

14.1 *Limited Transferability of Awards.* Except as otherwise provided in the Plan, an Award Agreement or by the Committee at or after grant, no Award shall be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant, except by will or the laws of descent and distribution. No transfer of an Award by will or by laws of descent and distribution shall be effective to bind the Company unless the Company shall have been furnished with written notice thereof and an authenticated copy of the will and/or such other evidence as the Committee may deem necessary or appropriate to establish the validity of the transfer. No transfer of an Award for value shall be permitted under the Plan.

14.2 *Dividend Equivalents.* In the sole and complete discretion of the Committee, an Award may provide the Participant with dividends or dividend equivalents, payable in cash, Shares, other securities or other property on a current or deferred basis. All dividend or dividend equivalents which are not paid currently may, at the Committee's discretion, accrue interest, be reinvested into additional Shares, or, in the case of dividends or dividend equivalents credited in connection with Performance Awards, be credited as additional Performance Awards and paid to the Participant if and when, and to the extent that, payment is made pursuant to such Award. The total number of Shares available for grant under Section 4 shall not be reduced to reflect any dividends or dividend equivalents that are reinvested into additional Shares or credited as Performance Awards. Notwithstanding the foregoing, with respect to an Award subject to Section 409A of the Code, the payment, deferral or crediting of any dividends or dividend

equivalents shall conform to the requirements of Section 409A of the Code and such requirements shall be specified in writing.

14.3 *Compliance with Section 409A of the Code.* No Award (or modification thereof) shall provide for deferral of compensation that does not comply with Section 409A of the Code unless the Committee, at the time of grant, specifically provides that the Award is not intended to comply with Section 409A of the Code. Notwithstanding any provision of this Plan to the contrary, if one or more of the payments or benefits received or to be received by a Participant pursuant to an Award would cause the Participant to incur any additional tax or interest under Section 409A of the Code, the Committee may reform such provision to maintain to the maximum extent practicable the original intent of the applicable provision without violating the provisions of Section 409A of the Code. In the event that it is reasonably determined by the Board or Committee that, as a result of Section 409A of the Code, payments in respect of any Award under the Plan may not be made at the time contemplated by the terms of the Plan or the relevant Award Agreement, as the case may be, without causing the Participant holding such Award to be subject to taxation under Section 409A of the Code, the Company will make such payment on the first day that would not result in the Participant incurring any tax liability under Section 409A of the Code; which, if the Participant is a Specified Employee, shall be the first day following the six-month period beginning on the date of Participant's Separation from Service. Unless otherwise provided in an Award Agreement or other document governing the issuance of such Award, payment of any Performance Award intended to qualify as a "short term deferral" within the meaning of Section 1.409A-1(b)(4)(i) of the Treasury Regulations shall be made between the first day following the close of the applicable Performance Period and the last day of the "applicable 2 ½ month period" as defined therein. Notwithstanding the foregoing, each Participant is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on him or her, or in respect of any payment or benefit delivered in connection with the Plan (including any taxes and penalties under Section 409A of the Code), and the Company shall not have any obligation to indemnify or otherwise hold any Participant harmless from any of such taxes or penalties.

14.4 *No Rights to Awards.* No Person shall have any claim to be granted any Award, and there is no obligation for uniformity of treatment of Participants or holders or beneficiaries of Awards. The terms and conditions of Awards need not be the same with respect to each Participant. The grant of an Award pursuant to the Plan shall not affect in any way the right or power of the Company to make adjustments, reclassifications, reorganizations or changes of its capital or business structure, to merge or consolidate or to dissolve, liquidate, sell or transfer all or any part of its business or assets.

14.5 *Share Certificates.* All certificates for Shares or other securities of the Company or any Subsidiary or Affiliate delivered under the Plan pursuant to any Award or the exercise thereof shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations and other requirements of the SEC or any state securities commission or regulatory authority, any stock exchange or other market upon which such Shares or other securities are then listed, and any applicable Federal or state laws, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

14.6 *Tax Withholding.* A Participant shall, no later than the date as of which the value of an Award or of any Shares or other amounts received thereunder first becomes includable in the gross income of the Participant for income tax purposes, pay to the Company, or make arrangements satisfactory to the Committee regarding payment of, any Federal, state, or local taxes of any kind required by law to be withheld by the Company with respect to such income. The Company and any Subsidiary shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Participant. The Company's obligation to deliver stock certificates (or evidence of book entry) to any Participant is subject to and conditioned on any such tax withholding obligations being satisfied by the Participant. Without limiting the generality of the foregoing, the Committee may in its discretion permit a Participant to satisfy or arrange to satisfy, in whole or in part, the tax obligations incident to an Award by: (i) electing to have the Company withhold Shares or other property otherwise deliverable to such Participant pursuant to the Award (provided, however, that the amount of any Shares so withheld shall not exceed the amount necessary to satisfy required federal, state local and foreign withholding obligations using the maximum or other applicable statutory withholding rates for federal, state, local and/or foreign tax purposes, including payroll taxes, that are applicable to supplemental taxable income); (ii) tendering to the Company Shares owned by such Participant (or by such Participant and his or her spouse jointly) and purchased or held for the requisite period of time as may be required to avoid the Company's or the Affiliates' or Subsidiaries' incurring adverse accounting charges,

based, in each case, on the Fair Market Value of the Shares on the payment date as determined by the Committee; and/or (iii) having the Company cause its transfer agent to sell a number of Shares with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due and remitting the proceeds from such sale to the Company.

14.7 *Award Agreements.* Each Award hereunder shall be evidenced by an Award Agreement that shall be delivered (including, but not limited to, through an online equity incentive plan management portal) to the Participant and may specify the terms and conditions of the Award and any rules applicable thereto. In the event of a conflict between the terms of the Plan and any Award Agreement, the terms of the Plan shall prevail. The Committee shall, subject to applicable law, determine the date an Award is deemed to be granted. The Committee or, except to the extent prohibited under applicable law, its delegate(s) may establish the terms of agreements or other documents evidencing Awards under this Plan and may, but need not, require as a condition to any such agreement's or document's effectiveness that such agreement or document be executed by the Participant, including by electronic signature or other electronic indication of acceptance, and that such Participant agree to such further terms and conditions as specified in such agreement or document. The grant of an Award under this Plan shall not confer any rights upon the Participant holding such Award other than such terms, and subject to such conditions, as are specified in this Plan as being applicable to such type of Award (or to all Awards) or as are expressly set forth in the agreement or other document evidencing such Award.

14.8 *Other Compensation Arrangements.* Nothing contained in the Plan shall prevent the Company or any Subsidiary or Affiliate from adopting or continuing in effect other compensation arrangements, which may, but need not, provide for the grant of Options, Restricted Shares, Restricted Share Units, Other Stock-Based Awards or other types of Awards provided for hereunder. No payment under the Plan shall be taken into account in determining any benefits under any pension, retirement, savings, profit sharing, group insurance, welfare or benefit plan of the Company or any Subsidiary unless provided otherwise in such other plan.

14.9 *No Right to Employment.* The grant of an Award shall not be construed as giving a Participant the right to be retained in the employ of the Company or any Subsidiary or Affiliate. Further, the Company or a Subsidiary or Affiliate may at any time dismiss a Participant from employment, free from any liability or any claim under the Plan, unless otherwise expressly provided in an Award Agreement.

14.10 *No Rights as Shareholder.* Subject to the provisions of the Plan and the applicable Award Agreement, no Participant or holder or beneficiary of any Award shall have any rights as a shareholder with respect to any Shares to be distributed under the Plan until such person has become a holder of such Shares. Notwithstanding the foregoing, in connection with each grant of Restricted Shares hereunder, the applicable Award Agreement shall specify if and to what extent the Participant shall not be entitled to the rights of a shareholder in respect of such Restricted Shares.

14.11 *Governing Law.* The validity, construction and effect of the Plan and any rules and regulations relating to the Plan and any Award Agreement shall be determined in accordance with the laws of the State of Tennessee without giving effect to conflicts of laws principles.

14.12 *Data Privacy.* As a condition for receiving any Award, each Participant explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of personal data as described in this subsection by and among the Company and its Subsidiaries and affiliates exclusively for implementing, administering and managing the Participant's participation in the Plan. The Company and its Subsidiaries and affiliates may hold certain personal information about a Participant, including the Participant's name, address and telephone number; birthdate; social security, insurance number or other identification number; salary; nationality; job title(s); any Shares held in the Company or its Subsidiaries and affiliates; and Award details, to implement, manage and administer the Plan and Awards (the "Data"). The Company and its Subsidiaries and affiliates may transfer the Data amongst themselves as necessary to implement, administer and manage a Participant's participation in the Plan, and the Company and its Subsidiaries and affiliates may transfer the Data to third parties assisting the Company with Plan implementation, administration and management. These recipients may be located in the Participant's country, or elsewhere, and the Participant's country may have different data privacy laws and protections than the recipients' country. By accepting an Award, each Participant authorizes such recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, to implement, administer and manage the Participant's participation in the Plan,

including any required Data transfer to a broker or other third party with whom the Company or the Participant may elect to deposit any Shares. The Data related to a Participant will be held only as long as necessary to implement, administer, and manage the Participant's participation in the Plan. A Participant may, at any time, view the Data that the Company holds regarding such Participant, request additional information about the storage and processing of the Data regarding such Participant, recommend any necessary corrections to the Data regarding the Participant or refuse or withdraw the consents in this subsection in writing, without cost, by contacting the local human resources representative. The Company may cancel Participant's ability to participate in the Plan and, in the Committee's discretion, the Participant may forfeit any outstanding Awards if the Participant refuses or withdraws the consents in this subsection. For more information on the consequences of refusing or withdrawing consent, Participants may contact their local human resources representative.

14.13 *Severability.* If any provision of the Plan or any Award is, or becomes, or is deemed to be invalid, illegal or unenforceable in any jurisdiction or as to any Person or Award, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to the applicable laws, or if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Award, such provision shall be stricken as to such jurisdiction, Person or Award and the remainder of the Plan and any such Award shall remain in full force and effect.

14.14 *Other Laws.* The Company will not be obligated to issue, deliver or transfer any Shares pursuant to the Plan or to remove restrictions from Shares previously delivered pursuant to the Plan until: (a) all conditions of the applicable Award Agreement have been met or removed to the satisfaction of the Committee; (b) all other legal matters, including receipt of consent or approval of any regulatory body and compliance with any state or federal securities or other law, in connection with the issuance and delivery of such Shares have been satisfied; (c) the Participant or holder or beneficiary of the Shares or Award has executed and delivered to the Company such representations or agreements as the Committee may consider appropriate to satisfy the requirements of any state or federal securities or other law; and (d) if the Company is then subject to such rules and regulations such issuance would not entitle the Company to recover amounts under Section 16(b) of the Exchange Act from such Participant or holder or beneficiary of the Shares or Award. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel necessary to the lawful issuance of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue the Shares as to which such requisite authority shall not have been obtained.

14.15 *No Trust or Fund Created.* Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Subsidiary or Affiliate and a Participant or any other Person. To the extent that any Person acquires a right to receive payments from the Company or any Subsidiary or Affiliate pursuant to an Award, such right shall be no greater than the right of any unsecured general creditor of the Company or any Subsidiary or Affiliate.

14.16 *No Fractional Shares.* No fractional Shares shall be issued or delivered pursuant to the Plan or any Award, and the Committee shall determine whether cash, other securities or other property shall be paid or transferred in lieu of any fractional Shares or whether such fractional Shares or any rights thereto shall be canceled, terminated or otherwise eliminated.

14.17 *No Effect on Retirement and Other Benefit Plans.* Except as specifically provided in a retirement or other benefit plan of the Company, Subsidiary or Parent, Awards shall not be deemed compensation for purposes of computing benefits or contributions under any retirement plan, and shall not affect any benefits under any other benefit plan of any kind or any benefit plan subsequently instituted under which the availability or amount of benefits is related to level of compensation. The Plan is not a "Pension Plan" or "Welfare Plan" under the Employee Retirement Income Security Act of 1974, as amended. Neither the adoption of the Plan by the Board, the submission of the Plan to the shareholders of the Company for approval, nor any provision of the Plan will be construed as creating any limitations on the power of the Board to adopt such additional compensation arrangements as it may deem desirable, including, without limitation, the granting of Awards otherwise than under the Plan, and such arrangements may be either generally applicable or applicable only in specific cases.

14.18 *Recoupment of Awards.* Any Award granted pursuant to this Plan shall be subject to mandatory repayment by the Participant to the Company (i) to the extent set forth in any Award Agreement, (ii) to the extent that

such Participant is, or in the future becomes, subject to (A) any “clawback” or recoupment policy adopted by the Company or any Affiliate thereof to comply with the requirements of any applicable laws, rules or regulations, including pursuant to final rules adopted by the SEC pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act, or otherwise, or (B) any applicable laws which impose mandatory recoupment, under circumstances set forth in such applicable laws, including the Sarbanes-Oxley Act of 2002.

14.19 *Headings.* Headings are given to the sections and subsections of the Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Plan or any provision thereof.

14.20 *Trading Policy Restrictions.* Option exercises and other Awards under the Plan shall be subject to the Company’s insider trading policy-related restrictions, terms and conditions as may be established by the Committee, or in accordance with policies set by the Committee, from time to time.

14.21 *Designation of Beneficiary.* Each Participant to whom an Award has been made under the Plan may designate a beneficiary or beneficiaries to exercise any Award on or after the Participant’s death or receive any payment under any Award payable on or after the Participant’s death. Any such designation shall be on a form provided for that purpose by the Committee and shall not be effective until received by the Committee. If no beneficiary has been designated by a deceased Participant, or if the designated beneficiaries have predeceased the Participant, the beneficiary shall be the Participant’s estate.

Section 15. Term of the Plan.

15.1 *Effective Date.* The Plan shall be effective as of June 4, 2020 provided it has been approved by the shareholders of the Company.

15.2 *Expiration Date.* No new Awards shall be granted under the Plan after the tenth (10th) anniversary of the Effective Date. Unless otherwise expressly provided in the Plan or in an applicable Award Agreement, any Award granted hereunder may, and the authority of the Board or the Committee to amend, alter, adjust, suspend, discontinue or terminate any such Award or to waive any conditions or rights under any such Award shall, continue after the tenth (10th) anniversary of the Effective Date.

**ARTICLES OF AMENDMENT TO
THE CHARTER OF
MOUNTAIN COMMERCE BANCORP, INC.**

Pursuant to the provisions of Section 48-20-106 of the Tennessee Business Corporation Act, the undersigned adopts the following Articles of Amendment (“the Amendment”).

1. The name of the corporation is Mountain Commerce Bancorp, Inc. (the “Corporation”).
2. “Article II” of the Charter is hereby amended by deleting each of the first paragraph and Section A thereof in its entirety and replacing such deleted provisions with the following:

“The Corporation shall have authority to issue twenty-one million (21,000,000) shares of capital stock, which shall be divided into classes and shall have the following designations, preferences, limitations and relative rights:

A. *Common Stock.* One class shall consist of twenty million (20,000,000) shares of common stock of \$0.01 par value per share, designated “Common Stock.” The holders of the Common Stock shall be entitled to elect the members of the Board of Directors of the Corporation, and such holders shall be entitled to vote as a class on all matters required or permitted to be submitted to the shareholders of the Corporation.”

3. The Amendment to the Charter of the Corporation was duly adopted by the Board of Directors of the Corporation on March 26, 2020 and by the Corporation’s shareholders by the requisite vote of the shareholders on June 4, 2020.
4. This Amendment shall be effective when filed with the Tennessee Secretary of State.

(Remainder of page intentionally left blank)

IN WITNESS WHEREOF, the undersigned has executed this Amendment this 4th day of June, 2020.

MOUNTAIN COMMERCE BANCORP, INC.

By: _____

Name: William E. Edwards, III

Title: President and Chief Executive Officer

