

**BERKSHIRE HILLS BANCORP, INC.**

**BERKSHIRE BANK**

**COMPLIANCE AND REGULATORY COMMITTEE**

**CHARTER**

**Purpose**

The joint Compliance and Regulatory Committee (the “Committee”) of the Boards of Directors (collectively, the “Board”) of Berkshire Bank and Berkshire Hills Bancorp, Inc. (collectively, the “Company”) is responsible for overseeing the enterprise wide compliance program. The Committee is appointed by the Board to:

- a) approve programs, policies, and procedures that are designed to identify, measure, monitor, and control the compliance, fraud, and regulatory risks of the Company; and,
- b) oversee management’s implementation of such compliance programs, policies, and procedures that are designed to mitigate the various compliance and regulatory risks facing the Company.

**Organization and Meetings**

The Committee shall consist of no fewer than three (3) members, the majority of whom shall satisfy the independence requirements of the (a) New York Stock Exchange and (b) Securities and Exchange Act of 1934 as amended by the Sarbanes-Oxley Act of 2002, and the rules and regulations promulgated thereunder. The Committee shall include at least one member of the Audit Committee, but the majority of the Committee shall not be members of the Audit Committee. The members and Chairperson of the Committee shall be appointed and replaced by the Board upon consideration of the recommendations of the Corporate Governance/Nominating Committee of the Board (the “CGNC”). The Board may, at any time, change the membership of the Committee and fill vacancies.

The Committee shall meet at such times as the Board shall determine in advance and at such other times as the Chairperson or majority of the Committee members shall determine. However, there will be no less than four (4) quarterly meetings per year. The Chairperson or designee shall preside at all meetings of the Committee. In the absence of the Chairperson, the Chairperson or a majority of the Committee members shall designate another member of the Committee to serve as acting chairperson for the duly convened meeting. The Committee shall maintain minutes and records of its meetings. The Secretary of the Company shall be the Secretary of the Committee.

A majority of the members of the Committee present in person or by telephone, by means of which all persons participating in the meeting can hear each other, shall constitute a quorum. The Committee shall take action upon the affirmative vote of a majority of the Committee members present. However, the Committee may act by unanimous written or email consent in lieu of a meeting.

The SEVP, Compliance & Regulatory shall meet with the Committee regularly and as appropriate. Other representatives from management can assist the Committee and be called upon as needed, including the following:

- SVP, Compliance
- SVP, CRA & Fair Lending
- Bank Secrecy Act Officer

The Committee can also receive periodic reports from the following management committees to assist in its duties and responsibilities:

- Compliance Committee
- Policy Committee

## **Duties and Responsibilities**

The specific duties, responsibilities, and authorities of the Committee shall include the following:

### ***Compliance & Regulatory Function***

1. Oversee the overall compliance program; significant legal or regulatory compliance exposure; and material reports or inquiries from government or regulatory agencies.
2. Ensure that the Company has sound compliance management systems (“CMS”) as required by all applicable regulators, including the Consumer Financial Protection Bureau (“CFPB”).
3. Monitor efforts to implement compliance programs, policies, and procedures that are:
  - a) responsive to the compliance, fraud, and regulatory risks facing the Company;
  - b) communicated effectively to the Company’s employees; and,
  - c) supportive of lawful and ethical business conduct by the Company’s employees.
4. Monitor efforts to satisfy or fulfill legal or administrative obligations arising from regulatory settlement agreements and other similar documents or orders, and shall review and issue any reports required by settlement agreements or other relevant legal obligations.
5. Oversee the Company’s investigation of, and may also request the investigation of, any significant instances of noncompliance with applicable laws and regulations or the Company’s compliance programs, policies or procedures, or potential compliance violations that are reported to the Committee. Potential financial compliance violations shall be directed to the Audit Committee for investigation.
6. Review regular reports, updates, initiatives, including the current status of the following:
  - a) CMS and Compliance Program
  - b) Compliance risk assessment plan and results
  - c) Changing and new regulatory requirements
  - d) Complaints received from internal and external sources
  - e) Compliance consultants’ reviews and internal audit reports
  - f) Regulatory reviews and findings, including noteworthy enforcement actions
  - g) Compliance Action Item Matrix
  - h) Compliance monitoring schedule and results
  - i) Compliance training efforts

- j) Bank Secrecy Act and Anti-Money Laundering Compliance Programs, including the USA Patriot Act customer identification program
  - k) Community Reinvestment Act and Home Mortgage Disclosure Act analysis
  - l) Fair Lending analysis along with program status and initiatives
7. The Committee shall also carry out such other duties as may be delegated to it by the Board from time to time.

***General Function***

8. Review its own performance annually and report this evaluation to the Board and CGNC.
9. Committee members are required to complete the Directors & Officers Questionnaire annually, which serves as the basis for the Board's determination of member independence.
10. Review and approve such corporate and bank policies as may be delegated by the Board from time to time. The results of such reviews shall be presented at the next Board meeting.
11. Report its actions and recommendations to the Board after each Committee meeting.
12. At the sole discretion of the Committee, conduct investigations, assessments, or reviews into matters within its scope of responsibility and engage internal or external counsels, advisors, or consultants as deemed necessary to assist in discharging its duties. In connection therewith, appropriate funding shall be provided as solely determined by the Committee.

**Review and Approval**

The Committee shall review and reassess the adequacy of this Charter as needed, but at least every two years from approval, and recommend proposed changes to the Board. Approval of the Board is required for any changes to this Charter to take effect.

**Committee Reviewed: February 20, 2019**  
**Board Approved: February 21, 2019**  
**Next Review Date: February 21, 2021**  
**Supersedes Charter Dated: October 25, 2018**  
**Committee Formed: October 22, 2015**