



Personnel and Benefits Committee Charter

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Policy Owner	Personnel and Benefits Committee

I. GOVERNANCE

This Charter sets forth the organization and operation of the Personnel and Benefits Committee (the "Committee") for ChoiceOne Financial Services, Inc. (the "Company") and has been approved by the Company's Board of Directors. The Committee shall review and reassess the Charter from time to time, at least annually. Amendments to this Charter shall be approved by the Board of Directors.

II. ORGANIZATION

The Committee shall be composed of three or more directors appointed by the Board. Each member of the Committee shall be independent of the management of the Company and free of any relationship that, in the opinion of the Board of Directors, would interfere with his or her exercise of independent judgment as a Committee member. Each member of the Committee shall be "independent" in accordance with Securities Exchange Commission Rule 10C-1(b), an "Independent Director" as defined by Nasdaq Listing Rules, a "Non-Employee Director" as defined by Securities and Exchange Commission Rule 16b-3, and an "Outside Director" as defined by Internal Revenue Service Regulation 1.162-27. Each member of the Committee shall be free of "Compensation Committee Interlocks" and relationships which would require disclosure by the Company under SEC Regulation S-K, Item 404. A Committee member may be removed for any reason following a majority vote of the Board of Directors.

No member of the Committee may accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Company or any subsidiary of the Company. Compensatory fees do not include fees received as a member of the Board of Directors or any Board committee; or the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Company (provided that such compensation is not contingent in any way on continued service). In determining whether a director is eligible to serve on the Committee, the Board of Directors shall consider whether the director is affiliated with the Company, a subsidiary of the Company, or an affiliate of a subsidiary of the Company to determine whether such affiliation would impair the director's judgment as a member of the Committee.

III. STATEMENT OF PURPOSE

The Committee shall provide assistance to the Board of Directors in fulfilling its responsibility to the shareholders and under applicable rules and regulations relating to the Company's compensation and benefit programs and policies. Subject to review by the Board of Directors, the Committee shall determine the overall compensation philosophy of the Company and ensure that the Company's compensation and benefit programs are competitive and closely related to both personal and corporate performance. In doing so and

subject to review by the Board of Directors, it is the responsibility of the Committee to discharge the Board's responsibilities relating to compensation of the Company's executives and to produce an annual report on executive compensation for inclusion in the Company's proxy statement, in accordance with applicable rules and regulations.

IV. AUTHORITY, DUTIES AND RESPONSIBILITIES

The Committee shall have the following authority, duties and responsibilities:

- Review from time to time the personnel policies and programs of the Company, and submit recommendations to the Board of Directors;
- Administer the equity plans of the Company that are approved by the Board of Directors;
- Review the administration of and proposed changes to the retirement and welfare benefit plans of the Company that are approved by the Board of Directors;
- Make recommendations to the Board of Directors with respect to incentive compensation plans and equity-based plans;
- Make any determinations and approvals relating to incentive-based compensation (with the ratification of the Board of Directors) as required to comply with applicable tax laws such as Section 162(m) of the Internal Revenue Code;
- While meeting outside of the presence of the Chief Executive Officer, review and approve corporate goals and objectives relevant to the compensation of the Chief Executive Officer, evaluate the performance of the Chief Executive Officer in light of those corporate goals and objectives, and determine the compensation of the Chief Executive Officer based on the evaluation, giving consideration to the Company's most recent say on pay vote;
- While meeting outside of the presence of the Chief Executive Officer, determine the long-term incentive component of the compensation of the Chief Executive Officer, taking into consideration the Company's performance and relative shareholder return, the value of similar incentive awards to chief executive officers at comparable companies, the awards given to the Company's Chief Executive Officer in past years, and the Company's most recent say on pay vote;
- Approve the compensation of all other executive officers, giving consideration to the Company's most recent say on pay vote when evaluating and determining such compensation;
- Review and recommend to the Board for approval the frequency with which the Company will conduct say on pay votes, taking into account the most recent shareholder advisory vote on frequency of say on pay vote, and review and approve the proposals regarding the say on pay vote and the frequency of the say on pay vote to be included in the Company's proxy statement;
- Establish subcommittees of the Committee, with such powers and authority as specifically determined and delegated by the Committee;
- Provide the Board of Directors with regular reports, as considered necessary or appropriate by the Board of Directors, on the Committee's decisions and activities;

- Review and discuss the Company's Compensation Discussion and Analysis with management, recommend to the Board of Directors that the Compensation Discussion and Analysis be included in the Company's proxy statements or annual reports on Form 10-K, and report this review, discussion and recommendation in the Committee reports to be included in the Company's proxy statements or annual reports on Form 10-K, all as required by Securities and Exchange Commission rules; and
- Undertake such other responsibilities as required by applicable rules and regulations.
- Evaluate the risks and rewards associated with the Company's compensation philosophy and programs and take actions that the Committee considers necessary to mitigate risk and discourage excessive or inappropriate risk-taking.

The Committee also has and will have any additional powers, authority and responsibilities which are delegated to the Committee by the Board of Directors or by Plans approved by the Board of Directors. The powers, authorities and responsibilities of the Committee which relate to specific laws, regulations and rules shall continue and apply to any applicable successor or amended laws, regulations and rules. The Committee may establish subcommittees of the Committee and delegate authority and responsibility to subcommittees.

V. ADVISORS

The Committee has authority to engage consultants, advisors and legal counsel at the expense of the Company. Any consultant engaged for the purpose of determining the compensation of executive officers shall be engaged directly by the Committee and report to the Committee. The Committee has authority to approve contracts with and payment of fees and other compensation of consultants, advisors and legal counsel. The Company shall provide appropriate funding, as determined by the Committee, for payment of reasonable compensation to any consultants, advisors or legal counsel employed by the Committee and ordinary administrative expenses of the Committee.

The Committee may engage or receive advice from a compensation consultant, advisor or legal counsel (each an "advisor") only after taking into consideration the following factors:

- The advisor's provision of other services to the Company;
- The amount of fees received from the Company by the advisor, as a percentage of the advisor's total revenue;
- The advisor's policies and procedures that are designed to prevent conflicts of interest;
- Any business or personal relationship between the advisor and a member of the Committee or any executive officer of the Company;
- The advisor's ownership of any Company stock;
- Any other factors identified by applicable securities exchange listing standards.

For the purposes of the factors above, "advisor" includes, as applicable, any person that employs the advisor under consideration.

The Committee is not required to conduct an independence assessment for in-house counsel, or for a compensation advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company and that is available generally to all salaried employees, or providing information that either is not customized for the Company, or that is customized based on parameters that are not developed by the advisor, and about which the advisor does not provide advice.

The Committee shall exercise its own judgment in fulfillment of its duties, and is not required to implement or act consistently with the advice or recommendations of any compensation consultant, legal counsel or other advisor.

VI. ROLE OF OFFICERS

The Company's executive officers shall serve as a resource to the Committee and provide advice, information, analysis and documentation to the Committee upon request. In appropriate cases, in its discretion, the Committee may delegate its authority to the executive officers, being mindful that the Committee and the Board of Directors are responsible to the Company's shareholders to perform the functions and fulfill the responsibilities charged to the Committee under this Charter. The Committee may delegate to the Chief Executive Officer authority to recommend the amount or form of compensation paid to other executive officers and associates subordinate to the Chief Executive Officer, subject to such limitations and reporting responsibilities as the Committee in its discretion shall require. The Committee will not delegate to executive officers its authority to approve awards of stock options or other stock compensation.

The Chief Executive Officer may not be present during voting or deliberations of the Committee relating to the compensation of the Chief Executive Officer. The Chief Executive Officer may be present during voting or deliberations of the Committee relating to compensation of other officers, but may not vote.

VII. SCOPE OF RESPONSIBILITY

The Committee and its members have the duties and responsibilities expressly stated in this Charter or imposed by law. These duties and responsibilities of a member of the Committee are in addition to those duties applicable to all members of the Board. It is not the duty of the Committee to conduct investigations or to ensure compliance with laws and regulations. In discharging his or her duties, each member of the Committee is entitled to rely on financial statements, financial data information, opinions, reports and statements, prepared or presented by officers, associates, consultants, advisors, legal counsel, accountants, and other persons he or she reasonably believes to be reliable and competent in the matters presented.