

SELECT BANCORP, INC.
COMPENSATION COMMITTEE CHARTER
January 2015

The Compensation Committee of the Board of Directors of Select Bancorp, Inc. has recommended to the Board of Directors for its approval this charter setting forth the purpose, membership requirements, authority and responsibilities of the Compensation Committee. The Board of Directors has approved the Charter.

Purpose

The purpose of the Compensation Committee is to discharge the responsibilities of the Board of Directors set forth below relating to the Company's compensation and employee benefit plans and the compensation of the directors and certain officers of the Company and its subsidiaries.

Membership

The membership of the Compensation Committee shall be recommended by the Chairman of the Board of Directors and approved by the Board. Committee members shall be comprised of not less than three members of the Board, the exact number to be determined by the Board. Each member of the Compensation Committee shall: (i) be "independent" as defined from time to time under the Rules of Conduct of the Nasdaq Stock Market Listing Standards and any other applicable regulatory standards; (ii) be a "Non-Employee Director" as that term is defined under Rule 16b-3 promulgated by the Securities and Exchange Commission (the "SEC") and any other applicable SEC or Nasdaq regulation; (iii) not be part of a "compensation committee interlock" within the meaning of SEC Regulation S-K; (iv) be an "Outside Director" as that term is defined for the purposes of Internal Revenue Code Section 162(m); and (v) satisfy such other criteria of independence as the Board of Directors may from time to time establish. Members of the Compensation Committee serve at the pleasure of the Board of Directors and they may be removed and replaced by the Board of Directors provided such replacement meets all of the membership requirements as set forth above.

A member of the Compensation Committee shall be elected as the Chairperson who shall determine meeting times, agenda and other relevant issues to conduct meetings of the Committee. The Committee shall meet no less frequently than annually. The Compensation Committee may, in its discretion, form and delegate all or a portion of its authority and responsibilities to a subcommittee of the Compensation Committee when appropriate, as permitted by applicable law and the rules of the SEC and Nasdaq Stock Market.

Authority and Responsibility

The Compensation Committee shall have the following authority and direct responsibilities:

1. At least annually, to review and approve corporate goals and objectives relevant to the compensation of the Company's President and Chief Executive Officer (the "President"), evaluate the President's performance in light of those goals and

objectives, determine and approve the President's compensation level based on this evaluation and recommend the President's compensation for ratification by the independent directors of the Board. In determining the long term incentive component of the President's compensation, the Compensation Committee shall consider, among other relevant factors, the Company's performance and relative shareholder return (both based on assets and on equity), the value of similar incentive rewards to presidents at comparable peer companies, awards given to the Company's President in prior years and the Compensation Committee's assessment of the President's current and expected contribution to the Company's success. The President shall not be present during voting or deliberations on his or her compensation.

2. At least annually, the Compensation Committee shall review and approve the compensation levels for members of the Company's executive management team, which compensation levels have been recommended by the President. The executive management team referenced aforesaid shall consist of "reporting officers" including the Chief Financial Officer, Chief Banking Officer, Chief Administrative Officer and Chief Credit Officer who report directly to the President. In reviewing and approving such executives' compensation, the Compensation Committee shall take into account (but shall not be bound by) recommendations made by the President. The Committee shall provide oversight to the employee benefit plans of the Company and shall make recommendations to the Board with respect to additions, modifications, or amendments to existing incentive compensation plans and equity based compensation plans. The Committee shall oversee the administration of all such plans as have been or may be adopted by the Board of Directors and in connection therewith, shall approve grants, awards and payouts under the Company's stock option plans and any other equity-based compensation plan, provided however that the full Board of Directors shall review and approve matters pertaining to director compensation, including but not limited to directors fees and any award of nonstatutory stock options to members of the Board of Directors.
3. The Committee shall review periodically, and approve or recommend for Board approval (as applicable), any changes to the Company's incentive, equity-based and other compensation plans.
4. The Committee shall review periodically and make recommendations to the full Board of Directors regarding director and board committee compensation levels.
5. The Compensation Committee may perform any other activities consistent with this Charter, the Company's bylaws and governing law as the Compensation Committee or the Board deems appropriate.

Reports; Performance Evaluation

The Compensation Committee shall produce an annual report of the Compensation Committee on executive compensation for inclusion in the Company's annual proxy statement in accordance with applicable rules and regulations of the SEC. The Compensation Committee shall report periodically to the Board at regularly scheduled Board meetings but not less frequently than annually. At least annually the Compensation Committee shall review the adequacy of this Charter and recommend any proposed changes to the Board for approval.

The Compensation Committee shall have the sole authority to retain and terminate any compensation consultant to be used to assist in the valuation of director, President or senior executive compensation and shall have sole authority to approve the consultant's fees and other retention terms. The Compensation Committee shall also have authority to obtain advice and assistance from legal, accounting and other appropriate advisors.