

**ESQUIRE FINANCIAL HOLDINGS, INC.  
COMPENSATION COMMITTEE CHARTER**

**1. Purpose**

The Compensation Committee (the “Committee”) is appointed by the Board of Directors of Esquire Financial Holdings, Inc. (the “Company”) to assist the Board in fulfilling its responsibilities relating to the compensation and benefits provided to the Company’s executive management (for the purposes of this Charter, “executive management” means all individuals who hold the title of vice president or higher, and “executive officers” means those individuals identified by the Company in its SEC filings as the “executive officers”). The Committee is authorized to review, administer, evaluate and recommend benefit plans and overall compensation including, incentive plans and equity-based plans for the Company and its wholly owned subsidiaries. The Committee shall have such further authority as determined by the Board or as set forth in any compensation plan adopted by the Board.

**2. Committee Membership**

The Committee shall be composed of a minimum of three directors, each of whom shall meet the independence standards of the Nasdaq Stock Market. In determining the independence of any director who will serve on the Committee, the Board of Directors must consider all relevant factors, including, but not limited to: (i) the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the Company to such director; and (ii) whether such director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company.

If deemed necessary or appropriate, the Committee may appoint a subcommittee of “non-employee directors” under Rule 16b-3 of the SEC Regulations, which subcommittee shall be authorized to take all actions permitted to the Committee under this Charter.

The Board of Directors shall appoint a new member or members in the event that there is a vacancy on the Committee that reduces the number of members below three, or in the event that the Board of Directors determines that the number of members on the Committee should be increased.

The members of the Committee shall be elected by the Board and shall serve until their successors are duly elected and qualified. Unless a chair is elected by the full Board, the members of the Committee may designate a chair by majority vote of the full Committee membership.

The entire Committee or any individual Committee member may be removed without cause by the Board of Directors. Any Committee member may resign effective upon giving written notice to the Chairman of the Board, the Corporate Secretary or the Board of Directors. If necessary, to maintain the minimum required number of members, the Board shall elect a successor to take office when a resignation becomes effective.

### **3. Meetings**

The Committee shall meet at least annually and may hold additional meetings as needed or appropriate. The Committee may ask members of management or others, including legal counsel, to attend meetings or to provide relevant information. A majority of Committee members shall constitute a quorum, and a majority of the members present at any meeting shall decide any questions brought before the Committee. The Chair of the committee is authorized to call or schedule regular and special meetings.

Notice of Committee meetings shall be given to each member at least 24 hours prior to such meeting if notice is given in person, by telephone or by other electronic transmission (*e.g.*, email), and at least five days prior to such meeting if notice is given by mail. Such notice need not specify the business to be transacted at, nor the purpose of, the meeting. A director may waive notice of any meeting, before, at or after the meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

### **4. Authority and Responsibilities**

The specific authority and responsibilities of the Committee shall include, but are not limited to, the following:

1. Establish, review, and modify from time to time as appropriate the overall compensation philosophy of the Company.
2. Annually review and approve corporate goals and objectives relevant to Chief Executive Officer (“CEO”) compensation, evaluate the CEO’s performance in light of those goals and objectives, and determine and approve the CEO’s compensation based on this evaluation. The CEO may not be present during voting or deliberations by the Committee relating to the CEO’s performance or compensation.
3. Taking into account the recommendations of the CEO as to the other executive officers, administer the Company’s compensation for such executive officers, which may include approving corporate goals and objectives relevant to the executive officers’ compensation, evaluate the executive officers’ performance in light of goals and objectives, and determine and approve the compensation of the other executive officers based on this evaluation. The other executive officers (other than the CEO) may not be present during the deliberation by the Committee relating to such compensation.
4. Oversee and administer the Company’s compensation and benefit plans, including the incentive and equity-based plans, and approve awards thereunder.

5. Review, evaluate and approve, in consultation with the corporate governance committee as needed, the compensation to be paid to directors of the Company and of affiliates of the Company for their service on the Board.
6. Review, evaluate and recommend to the full Board, the terms of employment and severance agreements/arrangements for executive management, including any change of control and indemnification provisions.
7. Have responsibility, authority and oversight as to employee compensation in general and as needed.
8. To review and approve the “Compensation Discussion and Analysis” included in the annual meeting proxy statement, if required, and to the extent required, prepare and publish a compensation committee report in the annual meeting proxy statement.
9. Retain and terminate any compensation consultant, legal counsel or other adviser (“Adviser”) to assist the Committee in fulfilling its responsibilities. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any Adviser so engaged. The Company shall provide for the funding, as determined by the Committee, for the payment of reasonable compensation for such Adviser(s).
10. The Committee may select, or receive advice from, an Adviser (other than in-house counsel) only after taking into consideration the following factors: (i) the provision of other services to the Company by the Adviser’s employer; (ii) the amount of fees received from the issuer by the Adviser’s employer as a percentage of its total revenue; (iii) the policies and procedures of the Adviser’s employer that are designed to prevent conflicts of interest; (iv) any business or personal relationships between the Adviser and committee members; (v) the adviser’s holdings of the issuer’s stock; and (vi) any business or personal relationships between the executive officers of the Company and the Adviser or the Adviser’s employer. The Committee may select, or receive advice from, any Adviser, including ones that are not independent, after considering the foregoing factors.
11. Report to the full Board of Directors any actions taken, and if necessary, obtain ratification or approval by the Board.
12. Annually review this Charter and recommend changes to the Board as needed.